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USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

No. 68

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CONTENTS

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

Wholesale Trade Progress, Tasks Reviewed (S. Sarukhanov; SOVETSKAYA TORGOVLYA, Feb 83).....	1
Time Factor in Trade Turnover Viewed (V. Bondarenko; EKONOMICHESKAYA GAZETA, No 15, Apr 83)...	12
Merchandise Poor at GUM; Trade Turnover Slow (Z. Borisova; PRAVDA, 12 Apr 83).....	17
Questions on Consumer Goods Production Planning Answered (EKONOMICHESKAYA GAZETA, No 14, Apr 83).....	20
Heavy Industrial Production in Physical Terms as Plan (L. Busyatskaya; PLANOVOYE KHOZYAYSTVO, Apr 83).....	23

HOUSING AND PERSONAL SERVICES

Lithuanian Trade, Services Ministers on New Store Hours (R. Motkus; SOTSIALISTICHESKAYA INDUSTRIYA, 15 Mar 83).....	30
Kazakh Rental Services Problems Discussed (S. Tyumbayev; PRAVDA, 7 Feb 83).....	32
Plans for Consumer Services in Podmoskovye Outlined (N. M. Ovsyannikov Interview; LENINSKOYE ZHAMYA, 15 Feb 83).....	35
New Hours, Suggestions Made for Tallinn Consumer Services (Tayvo Ryukenberg; IZVESTIYA, 10 Feb 83).....	40

CONSUMER TRENDS AND POLICIES

Kondrashov on Effective Use of Capital in Consumer Goods Sector (P. Kondrashov; SOVETSKAYA TORGOVLYA, Mar 83).....	44
Moldavian SSR Supreme Soviet Meets on Consumer Goods (SOVETSKAYA MOLDAVIYA, 6 Apr 83).....	56
Consumer Goods Production Commission Established in L'vov (I. Mar'yamov; IZVESTIYA, 28 Mar 83).....	58

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

WHOLESALE TRADE PROGRESS, TASKS REVIEWED

Moscow SOVETSKAYA TORGOVLYA in Russian No 2, Feb 83 pp 2-7

[Article by USSR Deputy Minister of Trade S. Sarukhanov (Moscow:) "The Tasks of Wholesale Trade"]

[Text] All the versatile activity of the party and government is subordinated to the main goal--the utmost increase of the standard of living of the Soviet people. The decisions of the 26th CPSU Congress and the subsequent Central Committee plenums are imbued with concern about man and his vital interests. In the past 2 years a number of decrees of the CPSU Central Committee and the USSR Council of Ministers, which envisage measures on the increase of the production of goods and the further development of trade, have been adopted to fulfill these decisions. Much attention in them is devoted to the need for the improvement of the activity of the wholesale unit, which is aimed at the considerable increase of its role and responsibility for the increase of the production of consumer goods and the improvement of the supply of retail trade with goods.

The scale of the activity of wholesale trade enterprises is increasing from year to year.

During the 10th Five-Year Plan the wholesale commodity turnover of the ministries of trade of the union republics increased by 20 percent and in 1980 came to 202.8 billion rubles. Its average annual increase during 1976-1980 came to 4 percent. More than 60 large united wholesale bases, at which many warehousing operations have been mechanized, were built. The ties with industry are being strengthened, advanced forms of wholesale trade are being introduced, commercial work is being improved.

At the same time the analysis of the activity of the wholesale organizations and enterprises of the ministries of trade of the union republics shows that in their work there are still many major shortcomings which directly or indirectly affect the meeting of the demand and the standards of the service of the population. The economic relations of wholesale trade with industry are insufficiently active, the contractual relations on deliveries of goods are unstable, there is no strict monitoring of their fulfillment in accordance with the volume, assortment and quality, which considerably decreases their efficiency.

Some 80-90 percent of the stocks of basic nonfood consumer items are concentrated in retail trade, of them 70-85 percent are concentrated in stores. This makes

the shifting of commodity resources difficult and decreases the economic efficiency of the sector--for it is considerably less expensive to store goods at wholesale bases than at retail trade enterprises. The bulk of seasonal stocks of many mass demand goods is also concentrated in retail trade organizations. Irregularities in the trade in them is a consequence of this, since without adequate stocks in the wholesale unit it is extremely difficult to standardize the supply of the population with such goods.

Direct shipments predominate in the supply of the retail network with goods. For some goods of a mixed assortment (garments and knitwear, leather footwear and others) they account for more than 70 percent. The possibilities of increasing the warehouse commodity turnover and improving the supply of retail trade organizations and enterprises are still being inadequately utilized. Two-thirds of the warehouse space belongs to retail trade organizations.

Under the present conditions of the development of the economy wholesale trade is obligated to arrange its relations with industry and retail trade in order to be not simply a middleman, but a genuine organizer of the supply of retail enterprises with goods of a wide assortment and high quality. The main role in the accomplishment of the task of balancing the production of goods and the demand of the population for them belongs to wholesale trade. Therefore the strengthening and improvement of its economic ties with industry are acquiring great economic and social importance.

The ministries of trade and their wholesale organizations and enterprises need to rearrange resolutely the forms of interrelations with industry and to influence its work more efficiently. For this the monitoring of the unconditional fulfillment by the enterprises of the light, food, local and other sectors of industry of the plans and assignments set for them on the output of products in the volumes and assortment in conformity with concluded contracts should first of all be tightened up. For at present industry annually fails to supply trade with goods worth 2.5-3 billion rubles. These are enormous losses of commodity resources for the fulfillment of the plan of the commodity turnover and, consequently, the more complete meeting of the demand of the population. Moreover, trade is also failing to receive considerable amounts of basic necessities and mass demand goods.

Additional resources of foodstuffs and nonfood consumer items, and first of all those of them, of which there are not enough on the market, must be systematically and actively sought.

We now have good experience in the organization of the work of wholesale organizations and enterprises with industry, which is yielding good results. Thus, the Lithuanian wholesale bases have become the sole clients of the enterprises of republic industry and are concluding contracts for the entire volume of their output for the supply of the retail enterprises of trade both from local suppliers and in accordance with the plans of interrepublic deliveries. Thereby the wholesale unit has assumed complete responsibility for the submitting of orders, the coordination of the assortment and the sale of the goods being produced in the republic.

The republic wholesale offices of groceries of Lithuania and Latvia and a number of offices of the RSFSR, the Ukrainian, Belorussian, Kazakh and Estonian union republics have been working a great deal and fruitfully on the search for additional

commodity resources and the fulfillment by industry of delivery contracts. The Ukrainian Republic Office of the Wholesale Trade in Sugar, Confectionery, Canned Goods, Tobacco, Salt and Other Groceries promptly eliminated the shortage of such mass demand goods as table vinegar, dry bread crumb coatings, mustard in small packages, dry bread kvass and other groceries. At the same time the wholesalers of the Uzbek, Azerbaijan, Armenian, Kirghiz and Tajik union republics are not utilizing completely the possibilities of increasing the output of goods in short supply in trade by means of local resources.

In the decree of the CPSU Central Committee and the USSR Council of Ministers on questions of the improvement of the economic mechanism it is indicated that the orders of trade should become the basis of the planning of the production of goods in the necessary assortment. Precisely here the wholesale unit enters into economic relations with industry, and the improvement of the supply of the population depends in many ways on how correctly and purposefully they are organized. Therefore the need to study systematically and thoroughly the demand of the population and to take into account in good time the changes occurring in consumption is acquiring particular importance. Such activity should rest on a scientific basis, and not on the intuition of workers. Only in this case will the requisitions and orders of trade become for industry a necessary and correct guideline for the production of goods in conformity with the demand of the population. Otherwise the groundless decrease or increase of the production of individual goods inevitably will either make them scarce or premanently pile up on warehouse shelves as unmarketable and old goods.

At the same time so far the requisitions and orders are being drawn up without adequate economic substantiation. The following examples eloquently confirm this.

In recent years the need for food gelatin has been met by only 70-80 percent. At the request of the ministries of trade of the union republics an assignment on the increase of its delivery in accordance with the marketable stock was established in the decree of the CPSU Central Committee and the USSR Council of Ministers on the production of basic necessities. However, starting in 1982 numerous refusals of the receipt of gelatin began to be received by the USSR Ministry of Trade and the supply plants from the oblast offices and bases of the RSFSR Office of Wholesale Trade in Sugar, Confectionery, Canned Goods, Tobacco, Salt and Other Groceries and the Ukrainian Republic Office of Wholesale Trade in Sugar, Confectionery, Canned Goods, Tobacco, Salt and Other Groceries.

Here is another example. The recent difficulties with the meeting of the demand of the population for detergents and tooth powder are remembered well. But serious mistakes when determining the need of the population are also being made with respect to these basic necessities. Thus, the RSFSR Ministry of Trade for 1982 stated a need for 590,000 tons of synthetic detergents. From the available resources it was allocated 533,000 tons, or 10 percent less than the stated need. But from this amount in 10 months of 1982 the wholesale bases of the RSFSR Office of Wholesale Trade in Sugar, Confectionery, Canned Goods, Tobacco, Salt and Other Groceries did not take out of the stocks and, consequently, underdelivered to the market 35,000 tons of these goods.

The wholesale bases and offices of the RSFSR decreased the requisitions for the production of individual types of garments for 1983 as compared with 1982: for

men's winter and spring and fall overcoats--by 600,000, men's suits--500,000, men's trousers--200,000, trousers for children--1.6 million and so on.

Such cases of the groundless understatement or overstatement of orders once again confirm that the errors in the determination of the volume of output of goods on the scale of the country are the sum of the errors of the ministries of trade of the union republics. Therefore the radical improvement of the work on the economic substantiation of requisitions and orders is of exceptionally great importance for the proper determination of the need for goods.

Today the needs and demand are becoming more and more dynamic. Many objective and subjective factors, and at times fortuitous causes influence them. It is possible to know them and take them into account, only by having improved considerably the work of the services for the study of demand and having intensified its analysis in the wholesale unit.

The increase of the influence on industry with respect to the fulfillment of delivery contracts is a most urgent task of wholesale trade. Here the quality of their fulfillment in many ways depends on the quality of the contents of the contracts.

In the contracts the wholesale organizations should stipulate the deliveries in the assortment with the mandatory indication in the specifications of the models, styles, sizes, packaging, wrapping, appearance and other commodity attributes, special delivery dates and the labeling of the goods. The assortment should also be specified in a similar fashion in the contracts between wholesale and retail enterprises. The main thing is for the priority of the customer to be ensured in the concluded contracts.

However, drawing up the contract well is only half the matter. Its strict fulfillment must be constantly monitored and in case of each violation steps of pressure must be taken against the producer. Here it is necessary to use fully the right, which is granted by the Statute on Deliveries of Goods, to revise quarterly the assortment agreed on for the year, bringing it in line with the demand. This is especially important in the case of a change of the market conditions of the demand for individual goods.

The contractual work of wholesale trade with retail enterprises and organizations also requires improvement. Its importance is increasing in connection with the fact that as of 1 July 1982 the wholesale bases have been changed over to the new procedure of the formation of stimulation funds and the payment for labor subject to the fulfillment of the contracts of the delivery of goods in the approved assortment. The experience of the work of individual wholesale bases during 1980-1981 under the conditions of an experiment showed that such a procedure of evaluating their activity made it possible to solve a number of problems which are connected with the tightening up of planning and contractual discipline and the increase of the role of the contract, the improvement of the contractual relations with enterprises and organizations of retail trade and the making of the demands of wholesale bases on industry more exacting. In short, they began to devote more attention to the monitoring of the fulfillment of delivery contracts not only according to the volume, but also according to the assortment.

The holding of interrepublic, republic and local trade fairs for the wholesale selling of goods is one of the most effective forms of economic influence on the production of consumer goods. Wholesale trade fairs have been held now for more than two decades, but so far the cycle of their preparation has not been completely worked out, serious, one could say, chronic shortcomings in their organization and holding are being permitted. Among them are: the late submitting of the drafts of the plans of the production of goods and the annual inadequate allocation of the volumes of their output, which are stipulated by the control figures; the inadequate activity during the holding of trade fairs on the change of the assortment of the goods being planned for production; the display of regionalism when selling goods for interrepublic deliveries. This decreases the effectiveness of the trade fairs which are being held at all levels.

Last year the USSR Ministry of Trade approved the new uniform Statute on the Holding of Wholesale Trade Fairs. In it, in particular, the role and responsibility of the trade fair committee is increased, the procedure of the making of decisions by trade fair committees, as well as the mandatory nature of these decisions for industry and trade are established. Therefore the preparation for and holding of all wholesale trade fairs should become not only a commercial measure on the concluding of contracts for the delivery of a commodity, but also a most important stage of the formation of commodity resources for the country as a whole and each republic.

A precise mechanism of economic ties, which encompasses all units--from the ministries to the enterprises of industry and trade--should operate on the large and difficult path of the planning, production and delivery of goods. Until 1982 the economic ties between trade and industry were clothed in a civil law form only at the level of producers and customers, wholesale bases and retail trade organizations and enterprises. The decree of the CPSU Central Committee and the USSR Council of Ministers on questions of the economic mechanism made it incumbent to introduce in practice the conclusion of 5-year agreements between the main administrations of the USSR Ministry of Trade (the wholesale organizations of the ministries of trade of the union republics) and the industrial associations and main administrations of the supply ministries. This is increasing the responsibility for the more complete meeting of the demand of the population of both the ministries of trade and the industrial ministries, the associations and enterprises of which produce consumer goods.

In 1982 about 200 agreements between main administrations, offices and associations of industry and trade were concluded in the center and locally. The parties to the agreements are obligated to systematically identify jointly the demand for goods, to study the market conditions and the demand of the population and to elaborate measures on the elimination of the shortage of individual goods. Particular attention should be devoted to the updating of the assortment, the improvement of the quality, packaging and wrapping, the removal from production of goods which are obsolete and are not in demand, and the increase of the output of items of increased demand and new and especially fashionable items.

It is clear that it is important not only to sign such agreements, but also to ensure their efficient fulfillment. Therefore the USSR Ministry of Trade, just as the ministries of trade of the union republics, needs to take steps in the shortest possible time on the proper organization and improvement of the intersectorial ties of trade with industry on the basis of 5-year agreements.

In recent years the enterprises of industry have increased the production of new goods, have enlarged the assortment of the items being produced and have been working on the increase of their quality and technical level. Many new types of clothing and footwear of the fashionable trend made from modern materials and promising cultural and personal goods have appeared on the market. The assortment of foodstuffs has been updated and enlarged. In the plan of USSR economic and social development for 1983 much attention is also devoted to the increase of the production and the improvement of the quality of consumer goods. As the November (1982) CPSU Central Committee Plenum noted, the task is not only to boost the production, but also to increase considerably the quality of these goods.

Under the conditions of the steady increase of the demands on the assortment and quality of goods the wholesale bases and offices are obliged to pursue a purposeful assortmental policy with respect to the meeting of the rational needs of the population and the checking of the quality of the products being received, in order to orient industry toward the production of the goods needed by the market. However, the wholesale bases and offices, the state trade inspectorates of the ministries of trade of the union republics have not yet achieved the necessary effectiveness of the checks of the quality of goods, are not displaying the proper demandingness on industrial enterprises and have not established a reliable barrier in the way of low quality goods. The quite high percentage of the decrease of the grade and the rejection of individual goods attests to this.

In individual union republics the wholesale organizations have relaxed the monitoring of the quality of the goods being delivered in accordance with the plans of interrepublic deliveries. Only by this is it possible to explain the fact that of the checked amount of products of the enterprises of the ministries of light industry of the union republics during the first half of the 1982 there were rejected in the case of deliveries to other republics of garments: for the Armenian SSR--33 percent (for comparison in the republic about 1 percent), the Georgian SSR--32 percent (in the republic 13.5 percent), the Azerbaijan SSR--38 percent (in the republic 16 percent), the Ukrainian SSR--13 percent (in the republic 7 percent), the Tajik SSR--16 percent (in the republic 6 percent). Such an approach to the evaluation of the quality of garments intended for local consumption creates the appearance of satisfactoriness with the quality of the goods being produced, which does not stimulate industrial enterprises to improve this work.

An important means of increasing the quality of goods is the certification of products, which is playing a greater and greater role in the improvement of the technical level of items, the technology and organization of production, the assimilation and output of new goods.

However, the ministries of trade of the union republics and their wholesale organizations are not fully utilizing the certification of products for the improvement of the assortment and quality. Frequently they assign to the highest quality category products, the technical level of which does not conform to the best domestic and foreign models. They frequently enlist for participation in the certification commissions poorly skilled specialists, who do not have adequate experience and are not able to evaluate objectively the level of quality of goods and their novelty. The specialists of trade are inadequately utilizing the granted right of a decisive voice when conferring on an item the index "N" and the State Seal of Quality. And as a result the percentage of the rejection of these goods is intolerably

great, while some of them are entered in the list of nonsaleable and discounted goods.

At present the assortment of consumer goods numbers more than 400,000 descriptions, and with allowance made for their consumer attributes--more than 1 million. Therefore the solution of the problem of their optimum distribution among trade organizations with allowance for the demand being made in many ways depends on the properly organized commercial work of the wholesale bases.

The ministries of trade of the union republics and their wholesale organizations frequently make errors when distributing goods, since they perform this work without a thorough economic substantiation. Most often the matter reduces to the establishment of the miscalculations, when it is discovered that "somewhere there is too much, while somewhere there is too little."

It is possible to distribute goods properly only on the basis of precise information about the actual sale, the change of stocks, the increase of monetary income, the demand of the population and so on. In order to cope successfully with this task, the wholesale offices and bases should constantly monitor the progress of the fulfillment of the plans of delivery and the economic contracts and organize well the system of the delivery of goods.

One of the most significant shortcomings in the organization of the work of the commercial services of wholesale bases is the lack on the counters of stores of goods of an adequate assortment, which are available at the bases and warehouses. The campaign against such phenomena in trade so far has not yet yielded effective results. But they are doing great moral and material harm. Therefore the most important task of the commercial work of wholesale bases consists in the assurance of the smooth delivery to stores of goods by quarters, months and 10-day periods and in the improvement of the trade in them. The effective solution of this problem in each specific case depends on the objective conditions and specific nature of the work of the wholesale base or office.

It should be emphasized that one of the necessary conditions of the improvement of the supply of goods is the creation at the warehouses of wholesale bases of the appropriate reserve commodity stocks. It is impossible to consider normal both the state of their amount and the ratio of their distribution in the wholesale and retail units. Whereas in 1967 28 percent of the gross reserve commodity stocks were concentrated in wholesale trade and industry, at the beginning of 1982 this indicator came to 17 percent. The stocks of nonfood consumer items on 1 January 1982 came in retail trade to 120 days, while in wholesale trade and industry it came to only 25 days of the retail commodity turnover, or 17 percent of the total stocks. Especially low in wholesale trade is the proportion of clothing and underwear (8.5 percent), knitwear (8.4 percent), metal utensils and other metal items (1.4 percent), earthenware (2.4 percent), glassware (2.9 percent) and timepieces (7.5 percent).

The stocks of seasonal accumulation are also stored for the most part at retail organizations, which often turns the trade floors of stores into warehouses and thereby decreases the standards of the service of customers. Moreover, such a practice of distributing stocks narrows the assortment, increases the proportion of transit shipments and, as a consequence, worsens the sorting and making up of

batches of goods and leads to the accumulation of above-standard stocks in retail trade. It is necessary to increase substantially the proportion of the stocks in the wholesale unit, in order to increase it in the next few years to 30-35 percent of the total stocks.

A decisive factor of the improvement of the supply of stores with goods is the increase of the proportion of the warehouse commodity turnover. In 1980 its proportion for the country as a whole came to 42 percent, while for the union republics it came to 32 to 58 percent.

During the years of the 10th Five-Year Plan the proportion of the warehouse commodity turnover for the country as a whole remained at practically the same level, its increase came to only 1 percent, while for textile, cultural and personal goods it decreased by 1-2 percent. At the same time precisely the warehouse form of the supply of the retail trade network with goods, and especially the supply with goods of a mixed assortment and seasonal demand, is most advisable both economically and organizationally, since it increases the responsibility of the wholesale bases for the supply of stores and frees the retail unit from the performance of functions not characteristic of it, by promoting the improvement of trade processes and improving the service of customers.

Dispatcher services, which in conformity with the decree of the CPSU Central Committee and the USSR Council of Ministers on the further development of trade during the 11th Five-Year Plan should be set up at all wholesale enterprises, are called upon to improve the supply of the retail network with goods.

The well-organized operation of the dispatcher services expedites the movement of goods to the retail network, regulates the operation of motor transport and shortens the layovers of railroad cars. Not only their sectorial, but also great national economic importance lies in this. But the main thing is that they promote the smoothness of the delivery of goods from wholesale bases to the stores.

Positive experience of the work of wholesale bases on the organization of the smooth delivery of goods to the retail network in accordance with the Ritm system and the comprehensive system of the assurance of the smoothness of trade has already been gained. The adoption of these systems has justified itself, therefore the ministries of trade of the union republics are annually drafting plans of their development, but such work is still not being carried out extensively and purposefully enough.

Suffice it to say that at present in the RSFSR only 190 of the 900 bases are delivering goods in accordance with these systems, in the Ukrainian SSR--60 out of 350, in the Kazakh SSR--20 out of 158, although the systems provide a great economic impact. At the Gorkiy base of the RSFSR Office for Wholesale Trade in Goods for Cultural Purposes and Sporting Goods after its changeover to the comprehensive system of the assurance of the smoothness of trade its came to 110,000 rubles a year. The Lipetsk base of the RSFSR Office of the Wholesale Trade in Footwear, which works in accordance with the comprehensive system of the assurance of the smoothness of trade, increased the proportion of the warehouse turnover to 90 percent. Whereas in the case of direct shipments individual stores received footwear two or three times a month, in the case of shipment from the warehouses of the base the frequency of the delivery of goods in sorted form increased to 15 to 20

times. Precisely this is making it possible to have on sale a wide assortment of goods. At this base the level of centralized delivery has reached 100 percent, and the goods are delivered to trade enterprises of the oblast within 2 days after selection and to the stores of the city on the following day.

In the accomplishment of the tasks of the continuous supply of stores with goods in the necessary quantity and assortment an important role belongs to the traveling merchandising experts of the wholesale bases and offices, who are obliged to systematically keep track of the assortment of goods at stores, to accept from retail trade enterprises orders for the lacking goods and to carry out the monitoring of their timely filling. As is known, the institution of traveling merchandising experts has existed for a long time, but with the increase of the commodity turnover and the enlargement of the assortment their functions are becoming complicated. At some bases their staff is extremely small (one or two people), moreover, they frequently use such merchandising experts not for their immediate purpose.

The merchandising experts of the Bashkir base of the RSFSR Office of Wholesale Clothing Trade are working well. They not only familiarize themselves with the materials of trade organizations on the study of the demand of customers for clothing of an adequate assortment, but also promote new items and give practical assistance in selling surplus goods. At the Crimean Odezhda Wholesale and Retail Association of the Ukrainian SSR Ministry of Trade as a result of the active work of traveling merchandising experts in the first half of 1982 23 trips were made and goods worth 1.4 million rubles were sold. The traveling merchandising experts of the oblast Bakaleya wholesale offices in the RSFSR, the Ukraine, Kazakhstan and Estonia are working a good deal and efficiently. It is necessary to stimulate materially the active work of traveling merchandising experts. Apparently, it is expedient to evaluate their labor not only according to the amount of goods sold by them, but also according to the availability in the trade network of goods of an adequate assortment.

In the improvement of the supply of the retail network with goods it is difficult to underestimate the importance of the centralized delivery of goods. Its economic effectiveness depends on how completely the carrying capacity of motor transport is utilized, how accurately the optimum amount of the batches being delivered for each store and the frequency of shipment are determined, in how well thought-out a manner the routes of motor transport traffic with the use of circular delivery have been worked out.

The improvement of the centralized delivery of goods to the retail network and the regulation of the system of settlements with common carrier motor transport enterprises are an important aspect of commercial activity. As estimates show, the wholesale bases and offices due to the improper use of the trucking charge when determining the average delivery cost of 1 ton of a commodity in the case of centralized delivery annually make overpayments in the amount of 8-10 percent, which for the system comes to more than 50 million rubles.

During the years of the 10th Five-Year Plan the warehouse space of wholesale bases increased from 6.4 million m² to 7.2 million m², or by 12 percent. During the current five-year plan large wholesale bases in many cities of the country with a total area of 1.1 million m² and distributing cold storage plants with a capacity of more

than 200,000 tons will be put into operation. However, this will not meet the need for warehouse space, which at the end of the five-year plan will come to 11.4 million m².

Therefore the urgent need to use most efficiently the areas and capacities of operating warehouses is arising. It is possible to solve this problem by the renovation of the warehouse network, its provision with modern materials handling and technological equipment and the complete utilization of warehouse areas. This will make it possible in a short time and with fewer (approximately 40 percent) expenditures as compared with new construction to increase the commercial capacity of the existing network of warehouses and, consequently, to create the conditions for the increase of the volume of the warehouse commodity turnover of wholesale bases. Many unused possibilities exist here.

The study of the warehousing services of more than 900 wholesale bases showed that at 350 of them the warehouses over 4.5 m high are using only half of it mainly due to the lack of materials handling equipment. The complete supply of warehouses with such equipment will increase their effective area by nearly twofold, which is equivalent to the additional construction of general merchandise warehouses with an area of 800,000 m², which would cost 235 million rubles. Therefore the work on the technical equipment of the bases, the efficient use of warehouse areas and the mechanization of loading and unloading operations must be regarded as a most important economic and social task.

The practical experience of creating united warehousing services in the system of wholesale trade has shown that the capital expenditures on their construction are reduced by 30-40 percent. However, the effectiveness of the capital investments on construction is lost in the process of operating such bases. This is due to the fact that up to now at the united warehouses each specialized wholesale base has operated individually. This is leading to many adverse consequences.

The RSFSR and the Moldavian SSR Ministries of Trade have been conducting since 1980 an experiment at the cost accounting transportation and forwarding warehousing enterprises in Lipetsk and Kishinev. Its essence consists in the fact that at these enterprises the commercial functions and transportation and warehousing functions have been separated. The results of the first stage of the experiment revealed considerable opportunities for increasing the efficiency of the use of united bases.

The improvement of the management of both the sector as a whole and individual enterprises is acquiring greater and greater importance in the development of wholesale trade.

At present the proper alignment in the organizational structures of the management of industry and wholesale trade does not yet exist. The intensification of the specialization of the production of consumer goods also requires the increase of the commodity specialization of the enterprises of wholesale trade and the creation of main bases and offices, which have been invested with the appropriate rights for work with industrial associations.

In the solution of the important and complicated problems facing wholesale trade an important role belongs to scientific research institutions. It should be noted

that for the present sectorial science is greatly indebted to wholesale trade. There are no well thought-out recommendations on the improvement of the mechanism of the interrelations of the wholesale unit with industry and retail trade, the questions of the economics of wholesale trade have been poorly elaborated, there are not procedural studies on the planning and stimulation of the wholesale commodity turnover, its closer coordination with the retail commodity turnover, the development of cost accounting and so on.

During the current five-year plan it is necessary to mobilize as much as possible the efforts for the increase of the level of the commercial, analytical planning and economic activity of wholesale trade. This will promote the radical improvement of the system of the supply of the retail network with goods, the dynamic increase of the commodity turnover and the increase of the quality of the trade service of the population.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

TIME FACTOR IN TRADE TURNOVER VIEWED

Moscow EKONOMICHESKAYA GAZETA in Russian No 15, Apr 83 p 15

[Article by V. Bondarenko, senior scientific associate of VNIETSistem [All-Union Scientific Research Institute for the Economics of Trade and Management Systems]]

[Text] The time factor takes on particular importance in the context of intensification. And whereas quite a bit of attention is being paid to the problems of its economic role and its recordkeeping in economic practice with respect to industrial production and capital construction, those problems have not as yet been sufficiently studied in the trade sphere. The volume of deliveries of clothing, footwear, durable consumer goods and housewares to the trade sector has been increasing steadily. In 1982 the retail commodity sales of state, cooperative and kolkhoz trade exceeded 304 billion rubles. At the same time we observe a growth of inventories and slower sales of a number of goods. At the beginning of 1982 above-allowance inventories amounted to 2.2 billion rubles. The problems of the interrelationship between the time characteristics of economic processes in the sphere of production and the distribution sphere are especially urgent. Otherwise what is achieved in one of its units is thereafter lost because of the lag of the other units.

Production Time and Distribution Time

The intensive strategy in the development of production makes it possible to constantly reduce manufacturing time per product unit. Take a commodity for which there is great demand and which there is no trouble selling--men's winter coats from artificial fur. The time of the full production cycle to manufacture 46 such coats was 2.5 hours. Transporting the commodity from the factory to the store, located in the same city, took twice as much time, and the time required to sell these coats exceeded the production time by more than 14-fold. And this does not take into account the time the products spend in the factory's finished goods warehouse. Time relationships like these between production time and distribution time are typical of many goods.

In the last 3 years the production of television sets has doubled, sales have grown 1.7-fold, and merchandise inventories have quadrupled. These examples could be continued, but they all furnish evidence that a sizable gap has been opened up between the production time and the distribution time of consumer

goods. On the whole their distribution time exceeds more than twofold the production time.

A delay in any one stage disrupts the entire process of expanded reproduction. As for the disproportions between production time and distribution time, they signify that the resources expended to manufacture the product are being returned after a long delay.

Along the lengthy road which goods travel from production to consumer conditions also arise under which some goods lose their quality and others become obsolescent. That is why reproduction of particular goods even on the previous scale takes place by virtue of additional state appropriations. Whereas in 1965 a delay in selling consumer goods by just 1 day signified the late recovery of resources amounting to about 275 million rubles, in 1981 this amount was more than 746 million rubles. Intensification of production processes is making it possible to reduce the production time even more, and disproportions relative to the distribution time are becoming greater.

The gap in time between the production of commodities and satisfaction of the demand for them has undoubtedly had something to do, for example, with the fact that the demand for certain goods has been growing faster than the ability to satisfy it. The desire of customers to satisfy their needs more quickly is not uncommonly the basis for the occurrence of all sorts of redistributive relations and adverse phenomena in the distribution sphere.

When it takes a long time for a commodity to move from production to the consumer, it becomes more likely that a change has occurred in the need for the particular product or even that the need has died out. As a result the market is filled with goods which are not in demand. This signifies an unwise use of physical and labor resources which are dropping out of economic circulation, and it increases the costs of the trade sector itself.

The Wholesale Level and the Retail Level

To a certain extent the present forms of economic relations have resulted in a demarcation of the interests of industrial enterprises from those of trade enterprises with respect to the time factor. The indicators for evaluating the economic performance of industrial enterprises encourage reduction of the expenditures of time to manufacture the unit of output and to sell it. But in wholesale trade? Here performance of the operations of culling rejects, storing, sorting, and filling orders in accordance with the demands of retail trade requires expenditures of time, but this is economically disadvantageous for it, it risks delaying return of borrowed working capital for the credit system and it will be penalized financially.

By virtue of its cost-accounting (khozraschet) interests wholesale trade strives to sell goods as quickly as possible to the retail trade network; otherwise it will pay higher interest on credit. But the sale of commodities by the wholesale depot to the retail network and obtaining money for those goods still do not constitute recognition that the commodity meets the needs of society in its value, quality and delivery dates. The commodity receives that

kind of recognition only after the sale. Concentration of the bulk of goods at the retail level makes it more difficult to accomplish maneuvers with them, and overstocking and the spoilage of goods and obsolescence and physical aging are inevitable. As a consequence of all this satisfaction of the demand of the public is worse, growth rates of retail commodity sales drop off, and the distribution time becomes correspondingly longer.

Commodity Inventories (in days of retail commodity turnover)

<u>Indicators</u>	<u>1980</u>	<u>1981</u>	<u>1982, as of 1 July</u>
In retail trade	77	81	90
In wholesale trade and in industry	19	20	18
Commodity stocks in retail trade relative to all stocks in wholesale trade and retail trade (in percentage)	80	80	83

A new indicator governing the formation of funds was introduced as an experiment in 1980 and since 1 July 1982 has been applied everywhere in wholesale trade enterprises; that indicator is used for evaluation of their performance as a function of fulfillment of the plan for wholesale commodity sales adjusted for performance of contracts for delivery of goods to the retail network. But the results of the experiment have already shown that these conditions can be fulfilled only if there is an increase in the size and level of commodity stocks. Thus the distribution time could become still longer.

In order to eliminate the disproportions that exist between the production time and the distribution time of consumer goods, the method for determining planned allowances needs to be improved. Today determination of standard allowances of commodity inventories for retail and wholesale trade is based on analysis of the existing factors and conditions in the formation of stocks, tendencies in development, and extrapolation of these for the future. Thus consideration is given to the growth of commodity sales, the absolute size of stocks of goods, changes and greater complexity in the composition of commodity sales toward an increase in the share of nonfood products, including durable consumer goods and housewares, saturation of the market with goods, and a number of other factors. The possibility of speeding up the movement of the mass of goods is by no means fully reflected in this examination.

The system for making declarations and filling out orders for consumer goods for the industrial oblast, kray, autonomous oblast and okrug also has a substantial influence on distribution time. They are made out by oblast wholesale enterprises which are under republic jurisdiction. In case of necessity the same entities make most of the decisions on changing the production of goods. It is understandable that long periods of time are required to analyze and summarize the declarations of retail enterprises. This work is usually done beginning in May of the preplanning period. The most important thing is that the data obtained are based on the data of the past period, demand is changing rapidly, and new needs are arising. If the process of compiling the declarations were made more orderly, this would in turn make it possible to speed up the distribution time of commodities.

The Effect of Direct Ties

Direct ties between production and trade make it possible to reduce the distribution time of commodities. Another thing that helps to strengthen contacts between them is the enhanced role of soviets of people's deputies in studying the effective demand of the public, in increasing the output of quality goods, and in monitoring suppliers' accurate filling of the orders of the trade sector.

Autonomous republics, krays and oblasts are now being assigned targets for the production of consumer goods per ruble of the wage fund for all enterprises located on their territory. Under those conditions establishment of contract relations between trade and industry under the direct guidance and supervision of executive agencies of local soviets would make it possible to avoid manifestations of departmental isolation and to enhance the role of declarations and orders, which will in turn become the principal initial document in drawing up plans for the production of goods.

It will be possible to transfer to the republic and also the all-union level of administration only those matters which prove to be difficult to solve locally.

Drafting the plan for the production of consumer goods that has been straightforwardly substantiated with orders and declarations of trade organizations will begin at the oblast, kray and okrug level. Regional plans constitute the basis of the draft of the summary assignment in the republic and will ultimately become part of the national economic plan.

The problem of establishing long-lasting and specific regional ties between trade and production and also of integrating trade and production within the limits of the oblast, kray or okrug could be solved more effectively if an intersector system were used for management of production and sale of consumer goods on the basis of computers. This will make it possible to make the transition in future from studying the demand of the public of a particular region and compiling declaration and orders for the production of goods for an unknown consumer to the study and identification of needs and compiling orders for the production of specific goods for specific customers.

It should be noted, however, that establishing direct ties between enterprises producing consumer goods and retail trade needs appropriate prerequisites. For instance, the benefit from direct relations will be achieved, in our view, only if they are established not between individual large enterprises and organizations in the trade sector and industry, but between the trade administration of local soviets and industry. This in large part will make it possible to avoid cases of "profitability" and "unprofitability" in conclusion of contracts and to organize production optimally.

Present practice is indeed suggesting progressive methods of selling goods which are aimed at saving time. These include sales through "Order" stores and the manufacturers' outlets of various ministries and departments. For example, the Moscow stores of the garment associations "Bol'shevichka," "Sokol,"

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

MERCHANDISE POOR AT GUM ; TRADE TURNOVER SLOW

Moscow PRAVDA in Russian 12 Apr 83 p 3

[Article by Z. Borisova, secretary of the party committee of the Moscow GUM:
"From the Plant to the Shelf"]

[Text] I love to watch how the stream of customers comes through the doors of the GUM in the morning. I know that many have come a long way hoping to make purchases. An hour or two will pass and then there will be a stream in the other direction--people with bags, bundles and boxes. Others leave with empty hands. Involuntarily I ask myself: Why is it that the goods which are needed are not available for sale?

About 9,000 persons work in our store and also at branches. The party organization of the department store numbers more than 1,200 party members.

In March 1981 collectives of three of our departments--footwear, factory-made clothing, and knitted goods--began to compete under the slogan "Trade-Industrial Cooperation--To the Customer's Benefit!" The party committee approved the initiative, and it was soon supported in other departments and branches. If we put it succinctly, the essence of the innovation lies in strengthening the impact which the trade sector has on formation of the plans of industry and on the quality and assortment of goods. The collective wrote an open letter to other department stores and stores selling industrial goods in the capital.

The GUM receives products from hundreds of plants, factories and associations. Still one can identify some 15 or 20 especially large suppliers. They include the Moscow "Burevestnik" Footwear Production Association. In recent years our good relations have more than once become complicated--the association did not ship footwear entirely in accordance with allocated stocks, it departed from seasonality in filling orders, it reacted poorly to demand, and sometimes rejects reached the shelves.

These questions were discussed in a joint session of the two party committees--of the GUM and "Burevestnik"--and they outlined joint measures. This has made it possible for the footwear producer to determine the bottlenecks and to improve their response to the demands of customers. They also criticize us: preparation of the products before display needs to be done more thoroughly,

innovations need to be advertised, and the quality of sales service in selling footwear needs to be improved. Buyers and clerks began to visit the shops of "Burevestnik" more frequently--they took up with the engineers and workers the questions of improving the assortment and quality of the products. People's inspectors of the two collectives have jointly conducted unannounced inspections of the quality of work.

And there has been progress. It can be said with satisfaction that all the points of the joint plan were fulfilled. The footwear of "Burevestnik" is not getting stale on the shelves now.

The forms of work with industry are rather diverse. They include the sale of goods on the basis of display, customer conferences, meetings between personnel from the plant and consumers, and joint conferences to discuss the assortment and quality of goods. Over the last 2 years a total of about 3,000 such measures have been conducted in the department store. The GUM's people's inspectors have sent signals to their counterparts in the enterprises concerning the low quality of the products. Steps were taken concerning many of them. For example, the Kharkov "FED" Machinebuilding Production Association improved the quality of its cameras. In the Minsk "Gorizont" Association a plan of measures was drafted to improve the quality of television sets.

Or take, for example, a case like this. Personnel of the durable consumer goods department of the GUM sent a letter to the ministries of electronics, radio and communications equipment ministries in which they asked the ministers to take steps to improve the quality of home radio equipment.

The letter got action: the percentage of rejects of radio equipment and the return of the products from consumers have decreased. Teams in the plants for adjusting the equipment before it is sold have been strengthened on the recommendation of our activists.

The movement under the slogan "Trade-Industrial Cooperation--To the Customer's Benefit!" is 2 years old. Under the auspices of this initiative 118 contracts were signed last year concerning cooperation with plants and associations, 14 of them covering the entire 5-year period. Not uncommonly these contracts bring into the realm of cooperation not only the principals, but also those they work with. The desires of consumers are the basis of the joint effort. Every such contract is discussed both in the enterprise and in the department store. Workers and specialists of the industrial enterprises are expressing quite a few suggestions. Competition is developing with the vigorous support of the Moscow Gorkom and Leninskiy Rayon Party Committee. Recently, for example, the rayon committee was interested in the results of the effort by the party committee and business managers of the department store to strengthen the influence on enterprises, and recommended a number of additional measures.

At the same time there is quite a bit of untapped potential for strengthening our ties with production collectives. It cannot be recognized as normal when stocks of certain goods in the GUM often exceed the allowances. In a number of cases our buyers have given their approval for purchases of goods which were not in demand.

But the reason for this is not only the negligent attitude of certain specialists toward their work. There is also the economic state of affairs. The department store is sent down the plan for commodity turnover in rubles, and it has to be backed up with specific commodities. We select them at wholesale fairs, and on the basis of representative samples we conclude contracts with the enterprise. Alas, often "series" production has nothing in common with what is exhibited. But once the contract has been concluded, we are forced to take "what they give"; otherwise we will not fulfill the plan.

Often enterprises are still not discharging contractual obligations to stores either with respect to delivery date or with respect to assortment--sizes and colors of products.

In this connection I cannot but support the article entitled "The Trade Sector on the Watch" (PRAVDA, 8 February 1983), which speaks about strengthening the role of stores in forming the plans of enterprises. It is clear that for that purpose trade must have more effective levers for exerting an influence on industry. The penalties imposed on certain reluctant suppliers are too small and do not reflect the size of the losses which the state suffers because of deliveries of substandard goods to the trade network. There is no doubt that far more effective incentives must be the basis of relations between industry and trade. But at present goods which do not sell are stored for months in our store, and then they are discounted, and the losses from this represent a heavy burden on indicators of the store's economic performance, are reflected in the wages of its personnel, but they do not affect the financial position of those specifically responsible at all. If legal, economic and cost-accounting principles of relations between industry and trade are brought into conformity with the reorientation of the entire economy toward the final result, as required by the decisions of the 26th party congress and subsequent plenums of the CPSU Central Committee, then cooperation between stores and plants will undoubtedly be more effective and capable of taking the demand of customers more fully into account.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

QUESTIONS ON CONSUMER GOODS PRODUCTION PLANNING ANSWERED

Moscow EKONOMICHESKAYA GAZETA in Russian No 14, Apr 83 p 16

[Article in which the department for improving planning and economic incentives of USSR Gosplan answers readers' questions: "What Is New in Planning the Production of Consumer Goods"]

[Text] Beginning with the plan for 1983 the councils of ministers of the union republics and USSR ministries and departments are being assigned targets for the total volume of production of consumer goods (products of Group B of industry) and for the production of goods for popular consumption per ruble of the wage fund. The department for improvement of planning and economic incentives of USSR Gosplan is answering readers' questions about the procedure for forming and devolving these indicators.

[Question] What led to the introduction of the new indicators?

[Answer] Real per capita income in our country has doubled over the last 15 years, the total wage fund of workers and employees has increased 2.7-fold, remuneration of kolkhoz members has increased 2.4-fold, and payments from social funds have grown substantially. Production has also been increasing systematically, the assortment of goods has been expanding and their quality has been improving. But the volume of their production still does not entirely correspond to the growth of wages of workers and employees and the income of kolkhoz members. That is why balance is not being sufficiently ensured between personal money income and personal expenditures in a regional breakdown.

In order to increase the responsibility of the union republics and local soviets, ministries and departments for satisfying the effective demand of the public for goods and to ensure closer linkage of wage funds with the volume of production of goods for the market, the planning of new indicators is being introduced: the total volume of production of consumer goods which are part of the output of Group B of industry, and production of goods for popular consumption per ruble of the wage fund.

[Question] What is included in the target for the volume of production of consumer goods?

[Answer] The "Temporary Methods Principles for Planning and Recording Indicators of the Total Volume of Production of Consumer Goods (Output of Group B) and Production of Goods for Popular Consumption Per Ruble of the Wage Fund,"* which have been approved by USSR Gosplan and USSR Central Statistical Administration [CSA], point out that consumer goods (Group B) include all products intended to satisfy the needs of the public and the nonproduction sphere of the economy (education, health care, scientific institutions, etc.). The volume of output of Group B includes those products entirely intended for nonproduction consumption and also those types of goods which may go in a certain share to production consumption and personal consumption.

In order to ensure uniformity of calculations, an appendix to the Temporary Methods Principles ... gives a list of industrial products entirely classified among consumer goods and a list of products which may be used in part for production and nonproduction consumption.

The share of each dual-purpose product which may be classified among consumer goods is determined by all ministries, departments and union republics according to uniform average-union norms (percentages) established centrally by USSR Gosplan and USSR CSA using physical balances and data on delivery of products related to market stocks. The total volume of production of consumer goods (Group B) is planned in wholesale prices of enterprises as of 1 January 1982.

This target is devolved to USSR ministries and departments and councils of ministers of union republics. It is not assigned to enterprises because it is impossible to determine for the individual enterprise the share of each product which may go directly to nonproduction consumption. That is why USSR ministries and departments and councils of ministers of union republics are to see to fulfillment of the planning targets for production of consumer goods both by increasing the total volume of production going directly to the public for consumption and also by increasing the total volume of output intended for production and nonproduction purposes.

[Question] What is included in the target for production of goods for popular consumption?

[Answer] The makeup of goods for popular consumption in retail prices includes the following: products of light industry and the food industry (including the milling and rolled products industry), the meat and dairy industry, the fish industry and certain other branches of industry; durable consumer goods and housewares; components, assemblies and parts delivered to other production associations and enterprises under cooperation in the production of durable consumer goods and housewares; the volume of goods for popular consumption also includes other products produced for sale to the public in the amounts of their delivery through the market stock. Thus the makeup of goods for popular consumption differs somewhat from the makeup of consumer goods.

* The "Temporary Regulation on Stimulating in the 1983-1985 Period Increased Production of Goods for Popular Consumption, Fulfillment of Targets Assigned for Production of These Goods Per Ruble of the Wage Fund and for Improvement of Their Quality" was published in the 10th issue of EKONOMICHESKAYA GAZETA for 1983.

Summary plans for the production of goods for popular consumption in retail prices are calculated on the basis of their production and physical terms. Output is recorded as the total volume of production regardless of whether it is intended for production or nonproduction consumption. For example, finished fabrics, granulated sugar, meat, vegetable oil and other dual-purpose products are included in toto in the plan for production of goods for popular consumption in retail prices.

[Question] How is the planned wage fund used for comparison with the volume of production of goods for popular consumption determined?

[Answer] The wage fund for ministries and departments for purposes of comparison with the volume of production of goods includes all wages and payments from the material incentive fund for the ministry both in the principal activity and also in other economic entities and organizations (including the wage fund of nonstaff personnel of construction, project planning and other organizations), with the exception of the wages of sovkhoz workers.

In union and autonomous republics, krays and oblasts this indicator is planned by comparing the entire wage fund of workers and employees in the production and nonproduction spheres with the exception of the wage fund of workers employed on sovkhozes.

[Question] How is the indicator of production of goods for popular consumption per ruble of wages formed and devolved to enterprises?

[Answer] In order to form and devolve plans for the production of goods for popular consumption per ruble of the wage fund in the territorial breakdown USSR ministries and departments report to the gosplans of union and autonomous republics and kray and oblast planning commissions the planned indicators for the volume of production of goods for popular consumption in retail prices and the wage fund for enterprises and organizations under their jurisdiction which are located on their territory.

Councils of ministers of union republics, in conjunction with USSR ministries and departments, assign targets for the production of goods for popular consumption in retail prices by autonomous republics, krays and oblasts for all enterprises located on their territory regardless of departmental subordination. Ministries and departments assign targets for this indicator to subordinate enterprises and associations.

Targets for the production of goods per ruble of wages are assigned to enterprises and approved along with other indicators in the generally accepted procedure by the corresponding superior administrative authorities (ministries, union and republic industrial associations, and so on).

The practical introduction of planning the new indicators will promote faster growth of production of goods, greater responsibility at all levels for meeting the public's effective demand for high-quality goods, and a further rise in the prosperity of the Soviet people.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

HEAVY INDUSTRIAL PRODUCTION IN PHYSICAL TERMS AS PLAN

Moscow PLANOVOYE KHOZYAYSTVO in Russian No 4, Apr 83 pp 54-59

[Article by L. Busyatskaya, chief of the Planning and Economics Administration of the Ministry of Heavy and Transport Machinebuilding: "The Production of Output in Physical Terms Is the Most Important Indicator of the Plan"]

[Text] The long-range strategy of the development of the economy of the country was elaborated at the 25th and 26th CPSU Congresses. Its main goal is the most complete meeting of the increasing public and personal needs. The policy of the increase of production efficiency and its intensification has been adopted for the achievement of this goal. But, as Yu. V. Andropov noted at the November (1982) CPSU Central Committee Plenum, the turn of our economy toward efficiency is being carried out slowly and the main thing in the accomplishment of this task is to expedite the work on the improvement of the entire sphere of the management of the economy--administration, planning, the economic mechanism.

The end result--the meeting of the need of the national economy for specific types of products--finds expression in planning through the decisive indicator "the production of output in physical terms" in both the five-year and annual plans. All the other indicators are elaborated on the basis of it.

In this connection in the decree of the CPSU Central Committee and the USSR Council of Ministers of 12 July 1979, "On Improving Planning and Strengthening the Influence of the Economic Mechanism on Increasing Production Efficiency and Work Quality," the tasks are posed:

to change the system of the physical measurers of the output being produced on the basis of the extensive use of scientifically sound technical and economic indicators, which make it possible to take into account the efficiency, quality and other consumer properties;

to change over to the planning of the production of equipment according to an enlarged products list in units of measurement, which would reflect more thoroughly its productivity and other economic properties;

to use the indicators in "tons" in necessary instances as estimated indicators.

In implementing the measures outlined by the decree, the Ministry of Heavy and Transport Machine Building in 1980 prepared and submitted to USSR Gosplan a

proposal on the improvement of physical measurers, having confirmed its previously submitted (in 1975, 1977, 1979) proposals on the change of the planning of the most important products list of the sector: "Metallurgical Equipment," "Ore Dressing Equipment," "Equipment of the Mechanization of the Surface of Mines," "Belt Conveyors" and others. In practice the 1980 proposals were not implemented in planning, with the exception of the proposal on the change of the measurers for belt conveyors, while the introduction of the planning of metallurgical equipment along with tons in millions of rubles, without a breakdown of the products list led to groundlessly established volumes of its production in millions of rubles.

After the promulgation on 30 June 1981 of the decree of the CPSU Central Committee and the USSR Council of Ministers "On Intensifying the Work on the Economy and Efficient Use of Raw Material, Fuel, Energy and Other Material Resources" an additional task was posed--to improve the system of physical measurers for the purpose of enhancing their role in the increase of the quality and the decrease of the materials-output ratio of products. With the participation of subordinate associations, enterprises and organizations the ministry in 1982 drew up and submitted to USSR Gosplan new proposals on the improvement of the physical measurers of the machines and equipment being produced.

Changes were not made in the indicators for the products which are planned in units, sections and sets. For the formulation of the production volumes in this case the list prices are used, the production cost is calculated and the recording of the expenditures per unit of output is carried out, which makes it possible to monitor from the point of view of efficiency the labor-output ratio and materials-output ratio of items. For such items there are individual rates of consumption of rolled metal products, on the basis of which it is possible to draw up specifically the plan of material and technical supply with respect to metal and components.

In the sector 68 descriptions of the products list are planned in tons, of them 7 pertain to the products of ferrous metallurgy: rolled products, molten steel, individual types of steel in the range of products. It is obvious that after the experiment, which is being conducted in the USSR Ministry of Ferrous Metallurgy on the use of the indicator "the conventional ton," the necessary changes will be made in the planning of these products.

Products for general machine building use of 21 descriptions (steel, iron, nonferrous castings and so on), which are also planned in tons, are produced by the enterprises of heavy machine building. In our opinion, in the national economic plan it is necessary to approve only that portion of them, which in accordance with the shipments of products under subcontracting arrangements is sent to other plants, and to plan them in the range, sets and millions of rubles, but not in tons. It is inadvisable to approve from above the remainder (the intraplant redistribution, that is, the blanks which are used directly at the given enterprise for the output of the machines and equipment being produced). The indicator "ton" is to be left as an estimated indicator for the determination of the material resources which are necessary for the production of blanks and the monitoring of the capacities of the installed casting, forging, pressing and stamping machines and units and for the compiling of the balance of blanks.

An experiment for 15 associations and enterprises, using the experience of the Elektrotiyazhmash Association, at which "adjusted tons" have been introduced in the practice of planning of the blanking shops, and the Novo-Kramatorskiy mashinostroitel'nyy zavod imeni V. I. Lenina Association, at which the planning of the products list in the blanking shops is carried out in units and machine sets of blanks, while the net (standard) output is used as the volume indicator, will be conducted in 1983-1984 in the sector for the purposes of the improvement of the planning of blanks, the assurance of the equal profitability of their production with a different weight, complexity and labor-output ratio, the creation of the conditions for the reduction of the materials-output ratio, as well as the improvement of the fulfillment of the plan in accordance with the products list.

For the period of the experiment physical tons will be retained as the estimated and accounting indicator. The evaluation of the activity, as well as the payment of bonuses to engineering, technical and managerial personnel of the blanking shops will be carried out according to the indicators which have been adopted for the conducting of the experiment.

All types of metallurgical equipment, the rollers for machine tools, ore dressing equipment, equipment for nonferrous metallurgy, spare parts and others (in all 40 descriptions of the basic products list of the sector) are also planned in tons. Moreover, in spite of the existence of unit price lists, the average price from the report of the preceding year, which has been increased by the coefficient of its increase during that period, is used for the calculation of the production volume. Material resources are ordered in accordance with the average norm per ton, components--by analogy with past years. As a rule, a costing is not drawn up for the machines which are included in the products list which is planned in tons, the recording of the expenditures is made on the order. This enables the client to seek agreement for a long time on the nomenclatural plan (the list of machines which should be delivered to it) up to the start of the year being planned, while it enables the manufacturer to demand the inclusion in it of the orders which were not filled the preceding year. Moreover, the technical level of the machines and equipment is poorly checked, the level of the standardization of their elements (units, assemblies, parts) is inadequate, the plants do not consider it necessary to have specifications for them, the labor-output ratio and the metal content of a ton steadily increases, and it is practically impossible to check the causes of such a situation.

Therefore the ministry proposed to change over to the planning of a detailed products list according to consolidated groups, in units, for blast furnace, steel smelting, agglomeration, coking and ore dressing equipment, for the mechanization of the surface of mines and for nonferrous metallurgy, while it proposed to use as a generalizing indicator the volume in millions of rubles. The consolidated groups will be formed at the stage of the draft of the plan in accordance with the type sizes of the equipment included in them on the basis of the job authorizations issued to the enterprises in conformity with the special terms of delivery.

In connection with the fact that the list of the mills of complete technological lines, which are included in the system, is variable and the composition of the machines and units in the latter is not specified, it is proposed prior to the drawing up of the standard documents to plan the rolling equipment in millions of rubles by enterprises, since each of them is specialized in the production of a

specific type of rolling equipment, and in addition to draw up for a period of 5 years a Nominal List of Complete Lines, Units and Sets, Which Are to Be Produced and Delivered Toward the Total Volumes in Accordance With the Plan of the Production of Rolling Equipment (at present it is drawn up for only 2 years). Mills (from the start of production until its completion) with a breakdown into sets will be included in it, in order to carry out the delivery of its parts in accordance with the technological cycle of construction, and the monitoring of the output of complete machines and equipment will be set up.

The planning of rolling equipment by plants in millions of rubles will make it possible to a certain extent through the price to take into account specifically for each enterprise the change of the labor intensity of the production of equipment and to determine more accurately the need for metal, components and blanks. It is proposed to plan the rollers for cold-rolling and hot-rolling mills in tons and according to weights in units, which will make it possible to meet better the need for them; ore dressing equipment and equipment of the mechanization of the surface of mines and the pit bottoms--by groups and in millions of rubles. The type sizes in the groups of equipment should be specified at the stage of the draft of the plan in accordance with the job authorizations.

Diesel engines and diesel generators at present are planned by a single consolidated line item. At the same time the metal and components are ordered for specific makes of diesel engines. In order to coordinate the plans of production and material and technical supply and the norms, it is necessary to introduce the planning of diesel engines and diesel generators according to a detailed products list.

In the proposals of the Ministry of Heavy and Transport Machine Building attention is directed to the need to specify the procedure of the inclusion in the volume of the net (standard), commodity and sold output of single-design equipment, with a lengthy production cycle. There should be included in the planned and accounting volumes of the sold products of the enterprises producing such equipment the value of the assembly units, which have been shipped in conformity with the contract and the specifications accompanying it and of which it consists, as they are produced. This is advisable when a separate order is opened for each unit being delivered, prices which have been approved (agreed on) in accordance with established procedure exist for it and the settlements for them are stipulated by the contract. In individual instances the list of machines and equipment, for which in conformity with the contract delivery is made in assembly units, can be approved by the ministry. The suggestion was also made on the reckoning of large single-design equipment as finished equipment, if it has been tested and accepted by the technical control division.

The proposals on the improvement of physical measurers should have been implemented when drafting the 1983 plan. However, the new range of metallurgical equipment during the period of the preparation of the draft of the 1983 plan had not been drawn up by USSR Gosplan jointly with USSR Gossnab and the Ministry of Heavy and Transport Machine Building. After receiving the already approved plan for 1983, the ministry discovered that for metallurgical equipment it has been approved in tons and millions of rubles and a note was made on this section of the plan that the specific range of machines and equipment is being reported to the enterprises. The Ministry of Heavy and Transport Machine Building received the appendix to the plan

on 25 November 1982, while the plan has been delivered to associations and enterprises back on 22 October 1982, therefore it was necessary to report it a second time in accordance with the detailed products list.

Since the list of the products being produced is the basic and prime indicator of the plan of associations, enterprises and all-union industrial associations, on the basis of which all the other indicators of the plan are formulated, the ministry is attaching particular importance to its proper formulation. A uniform list of the products being produced, which has been agreed on by USSR Gosplan and USSR Gossnab and on the basis of which the plans on the products list and the production volumes are drawn up, the balances of blanks, the plans of material and technical supply and the rates of consumption of raw materials, materials and components are drafted, is in effect in the sector.

The specific list of metallurgical equipment, which at present has been reported by the Ministry of Heavy and Transport Machine Building to the enterprises, and it is being implemented at 12 associations and enterprises, for the present has been drawn up in a one-sided manner, only by the ministry, and during 1983 much work has to be done in order to work out a uniform list of metallurgical equipment, which has been approved by USSR Gosplan and USSR Gossnab, for its use in the system of planning, accounting and reporting.

In the generalized products list, in accordance with which the production plans are drafted, it is impossible, in our opinion, to reflect completely the technical and economic characteristics, the efficiency, the quality and other consumer properties by a single indicator in any units of measurement. Therefore the ministry with the participation of USSR Gossnab, as is stipulated by the decree of the CPSU Central Committee and the USSR Council of Ministers of 12 July 1979, prepared and approved for each production association and enterprises, with allowance made for their specialization, a List of Products for Production Engineering Purposes, Which Are to Be Produced and Delivered by the Production Associations and Enterprises of the Ministry of Heavy and Transport Machine Building in 1981-1985. In conformity with the list the consumers and supply and marketing organizations should conclude contracts for the delivery of the products they need within the limits of the allocated assets. This list is liable to further specification and detailed elaboration with the reflection in it of the more specific technical and economic characteristics of the equipment being produced. As the new machines and equipment are assimilated, it should be supplemented and will be reformulated by the start of the next five-year plan.

In 1981 collections of the technical characteristics of the basic machines and equipment, which are produced by the associations and enterprises of the sector, were published by the ministry so that the consumer would know all the technical characteristics of the equipment being ordered: the productivity, the specific consumption of fuel and oil, the power of the installed electrical equipment, the dimensions, the weight and so on.

Each association and enterprise is faced with the task to meet most completely the needs of the national economy for the output of specific products. In this connection the indicator "the volume of sold products with allowance made for the deliveries of a specific list of products in accordance with contracts" has become an important indicator in their activity. The enterprises and associations of the

Ministry of Heavy and Transport Machine Building annually deliver machines and equipment to approximately 5,000 start-up projects of 60 sectors of the national economy, and a significant amount of it is of custom design. For the assurance of the delivery of such products the consumers in accordance with the contracts under the conditions of small-series and custom production, taking into account the duration of the cycles of their production, particularly metallurgical equipment, need to specify for the production associations and enterprises in the annual plans the list of equipment in accordance with the orders in conformity with contracts which have been concluded in advance.

It is possible to accomplish this, since the equipment for the most part is being supplied for the technological processes which have been elaborated for enterprises, which are being newly built, renovated or retooled and are specified by the five-year plan. However, at the enterprises and associations of the Ministry of Heavy and Transport Machine Building difficulties are arising with the production and delivery of metallurgical equipment to the enterprises of the USSR Ministry of Ferrous Metallurgy due to the year-to-year untimely submitting by this ministry of the lists of start-up projects and projects under construction, as well as the need for equipment without regard for the limits which are planned by USSR Gosplan for the corresponding year being planned. Thus, a list of rolling equipment for start-up projects and projects under construction for 93,000 tons with a limit of 41,100 tons, which was allocated by USSR Gosplan, was submitted for 1983 by the USSR Ministry of Ferrous Metallurgy. Only in the third quarter of 1982 did the USSR Ministry of Ferrous Metallurgy draw up the final need of rolling equipment in conformity with the allocated limits. Here equipment, which was not included in the preliminary order, was included for delivery in the list, and the preparation of production for it was not carried out. In connection with such a situation the deadlines of the placing of orders for metallurgical equipment (18 months before the start of its production), which are stipulated by the Basic Terms of the Delivery of Products of the Ministry of Heavy and Transport Machine Building, which were approved by USSR Gosplan, are perforce being violated.

The list of products being produced is among the indicators, in accordance with which the managerial personnel of enterprises are paid bonuses. Moreover, the list of line items of the products list, in the case of the nonfulfillment of which the bonuses is not paid, has been enlarged to such an extent that in practice in the case of the existing discipline of deliveries of material and technical resources disruptions in the fulfillment of one line item of it or another occur all the time. In connection with the introduction of the new procedure of the payment of bonuses (the decreased crediting of material incentive funds in case of the nonfulfillment of the plan on the sales volume with allowance made for deliveries of products in accordance with deliveries) and in the case of the preservation of the old procedure (penalties in case of the nonfulfillment of the plan in accordance with the products list) the associations and enterprises are placed in a difficult position, since they are deprived of bonuses twice for the products list. As a result in 1982 for the associations and enterprises of the sector up to 15 percent of the economic stimulation funds went unused, which led to a decrease of the wage of engineering and technical personnel by 3.4 percent.

It is necessary, in our opinion, to revise the procedure and to use in the case of the crediting of the material incentive fund and the payment of bonuses only the sales volume with allowance made for the delivery of products in accordance with

contracts. In this case the fulfillment of the plan in accordance with the products list will be monitored not only with respect to production, but also with respect to shipment.

At present the orders for the delivery of products are being issued by USSR Gosplan for the amounts which are established by the production plan. On the basis of the peculiarities of the products being produced by the sector--a significant number of custom orders and the possibility of using the produced equipment at specific projects--the associations and enterprises in connection with the lengthy cycles of production of equipment do not have the opportunity to deliver to the client all the products produced in a given year, since its shipment (according to the standard) requires up to 45 days. In practice when concluding contracts in accordance with the issued orders, especially for the delivery of custom-made equipment, the nonfulfillment of deliveries by 8-10 percent is immediately incorporated, since the products produced during the last months of the year cannot be shipped.

In our opinion, delivery plans, in conformity with which orders for the delivery of products as the basis for the conclusion of contracts will also be issued, should be drafted jointly with marketing organizations for the associations and enterprises of the sector. For the present it is necessary to settle the question of the lengthening of the delivery time for equipment of a custom nature of production as against the issued orders for production by 30-45 days in conformity with the cycle of its shipment.

While pursuing a uniform technical policy, which is aimed at the production and delivery to consumers of machines and equipment which conforms to the best domestic and world models, and improving the economic mechanism in the sector, the ministry is constantly concerned about increasing the level of the meeting of the need of the national economy for the products, with respect to which it is the leading ministry.

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7807

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HOUSING AND PERSONAL SERVICES

LITHUANIAN TRADE, SERVICES MINISTERS ON NEW STORE HOURS

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 15 Mar 83 p 3

[Article by SOTSIALISTICHESKAYA INDUSTRIYA correspondent R. Motkus (Vilnius):
"Convenient for All"]

[Text] Recently the USSR Council of Ministers adopted a decree on the regulation of the hours of enterprises, organizations and institutions, which are engaged in serving the population. The question is of extraordinary importance both for each of us and for the entire system of the national economy as a whole. In Lithuania they have made an attempt to approach its solution on a scientific basis. The studies conducted here revealed that last year one worker in four went to enterprises and institutions of the service sphere during his working time. Specialists have calculated that 335,000 man-days were spent on this. In short, it is possible to say that in the small republic an entire plant did not operate for an entire year--such is the cost of this seemingly innocent "I am running out to the store for a minute."

What steps are being taken in the republic to avoid all these losses and to make the necessary services accessible during time free from work? The executives of the two leading consumer service sectors of the Lithuanian SSR respond to this question of SOTSIALISTICHESKAYA INDUSTRIYA's correspondent.

Minister of Trade P. Mitskunas. We realize perfectly well how much our sector influences the mood of people and the efficiency of the use of working time in the sphere of production. And now we are actively seeking means of optimizing this influence. Since January the hours of nearly 70 percent of the nonfood stores of the system of our ministry have been extended by 1 hour. And the Vilnius Central Department Store is now open until 2100. Here the stores, which trade in similar goods, open and close at different times, which also increases the opportunity to make a needed purchase without particular trouble. The hours of the network of trade in foodstuffs have also been revised--we are trying to see to it that a store with extended hours would be open until 2100 in every microrayon of the city.

In the republic 1,600 public dining enterprises serve city residents. Now the executive committees of the local soviets jointly with the managers and public organizations of enterprises are revising the hours of dining rooms and delicatessens and are revising the eating schedules of the workers of individual shops, shifts and divisions. The task is the same--to create the maximum conveniences for people and to eliminate the losses of working time.

And there is another important means--the rendering of trade services directly at the workplaces. Last year foodstuffs worth 30 million rubles were sold by this method. Delicatessens and divisions of delicatessen and confectionary items are already in operation on the grounds of 120 enterprises and institutions, food stores have also been opened at some large plants. The Klaypeda City Soviet Executive Committee adopted the decision to open order desks at several enterprises, for which a centralized shop for the making up of sets of foodstuffs is being created. In short, there are many possibilities, it is merely necessary to display energy and initiative.

Minister of Consumer Services K. Plekhavichyus. We began the reorganization of the work in the capital of the republic. The workday has been extended at more than half of the personal service enterprises, some of them are already open from 0800 to 2200. Moreover, all our enterprises of the capital will now be open on Saturdays, a third of them will be open on Sundays. The workday at barbershops and hairdressers has become 2 hours longer.

Now we are introducing such a procedure in Klaypeda, in other cities and workers' settlements. We are trying to do this without a fuss, thoroughly, sociologists are making a study of at what time of the day the greatest workloads arise at our enterprises. We are using the results of the study for determining the opinion schedule. The opening of personal service shops at industrial enterprises has become a good tradition. We intend to develop this form of service. We are also introducing new types of services, for example, the mending of laundry at the receiving centers of laundries and of clothing at dry cleaners, we are expanding the delivery to the home of rented items.

After the conversation I wanted to see for myself how the new procedure works. And I went to the Vilnius Central Department Store, the doors of which are hospitably open until 2100. The daily receipts, which have increased in recent times, show that customers have quickly responded to the innovation. The trade workers also thought that the goods should arrive at the counter uniformly. For this their release from the warehouses is now made not only during the first half of the day, but also at 1700. The workers of the Central Department Store themselves made a study of the flow of customers at different hours of the day and, on the basis of the results of the study, are arranging their work.

"Is not this schedule burdensome for your workers?" I ask V. Lyakavichen, director of the Central Department Store. "One cannot but take into account that the bulk of the collective is women."

"Of course, some difficulties arise. But our comrades understand the importance of this measure," the director says. "However, everything is being settled. We work according to a sliding schedule. Here we are trying to do things so as to provide a job primarily during the first shift to the women who have small children. And, in the end, our workers also gain: the greater the receipts, the greater the wages."

Other services have also drawn for themselves the proper conclusions: the hours of housing and municipal enterprises, the post office, the kiosks of the Main Administration for the Distribution of Printed Matter and the notary offices have been extended and regulated. The residents of Vilnius and other cities of Lithuania are already feeling the benefit of the innovation.

7807

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HOUSING AND PERSONAL SERVICES

KAZAKH RENTAL SERVICES PROBLEMS DISCUSSED

Moscow PRAVDA in Russian 7 Feb 83 p 7

[Article by Kazakh SSR Minister of Consumer Services S. Tyumbayev (Alma-Ata):
"The Advantages of Renting"]

[Text] Letters with good opinions of the work of the enterprises of the service sphere are being found more and more often in the mail of our ministry. However, there are also distressing letters which arouse alarm, with sharp criticism of the shortcomings in our work. People are complaining about the long lines to the receiving clerks, the low quality of the filling of orders and the fact that they cannot obtain the needed services.

Here is one of these letters. The author, Alma-Atan K. Skripnik, a participant in the Great Patriotic War, relates: "I often turn for assistance to Rental Showroom No 22 of the Zhanar Firm. First I take a washing machine, then a vacuum cleaner, then sporting equipment. This is very advantageous. Unfortunately, the selection of items being rented out is small. I am certain that renting is economically advantageous to both the population and the state."

Indeed, the benefit from renting is mutual. This is evident from the following example. Specialists have calculated that every family uses a washing machine 2 days a month. The rental fee for this time is about 2 rubles. So the money, which the machine costs, will be enough for many years of its rental. Moreover, during this time the machine becomes worn out and obsolete. Hence, by using the machine, people save their money. At the same time this helps the state. The demand for household equipment and, hence, its production decrease, materials, assets and manpower resources are saved.

The popularity of rental services is increasing. In 10 years their volume has increased by nearly 6-fold, in rural areas it has increased by more than 10-fold. Alma-Ata Showroom No 22, about which K. Skripnik wrote, enjoys deserved prestige among the customers. Here it is bright and clean, the goods are conveniently arranged. Showroom workers Z. Suglobova and E. Shtern know and like their job. There are many acknowledgements of thanks in the book of complaints and suggestions. There are, of course, also entries similar to the content of the letter of K. Skripnik. Unfortunately, even our best centers cannot satisfy all orders.

The main reason for this lies in the shortage, the meagerness of the rental stock of goods. At present we have only 24 million rubles worth of them, which for such a republic as ours is extremely little. The talk about increasing the amount and enlarging the assortment of rental items has been going on for a long time. But, as they say, things have not budged an inch. For example, we cannot satisfy the orders for folding baby carriages, table and bed linen, sewing machines and sporting equipment. Next to the city is the high-altitude Medeo Skating Rink. Many people would like to go there, to skate on the ice, but they cannot obtain skates, especially figure skates, from us.

In the letters the city residents propose to develop the rental of the most diverse items. Excursion enthusiasts want to obtain summer cottages, motor vehicles and boats, tourist accessories, portable televisions, transistor radios and tape recorders. The owners of passenger cars raise the question of rented garages. The shortage of national household items is being felt especially acutely. Yurts, tables with short legs, trunks, harness items, dishes, musical instruments--the need for them is great. Apparently, planning organs and the workers of local industry should solve more rapidly the problems of restocking our showrooms with everything necessary.

In our opinion, the time has come to develop the rental of expensive furniture, household equipment and radio and television equipment. Specifically this should appear as follows. A young family receives an apartment. It is not easy for it to furnish its housing by itself. The rental service comes to the rescue of the young couple. An interior designer will help to think over the interior of the apartment and to select the appropriate furniture. A contract, in which the time and fee are stipulated, is concluded. In order to interest the family, the contract stipulates: after a certain time, when the cost of the furniture has been paid, it becomes their private property.

The question automatically arises: How does rental differ from credit? There is a difference, and a substantial one. For credit is intended for 2 years, no more. And therefore it does not solve the problems of young families.

The development of rental service in the countryside merits particular attention. What is there not enough of today? I will cite a few facts. Last year only 40 Druzhba gasoline-powered saws were allocated to the republic consumer service instead of 170, we received considerably fewer concrete mixers and mortar mixers than planned. But the need for them is great. In rural areas much wood is still being felled for heating, many kolkhoz farmers and sovkhoz workers are building their own residences. The residents of the village frequently ask: Why are there no tools and mechanisms for the tilling of the private plots and other household needs for rent? Incidentally, this also worries the city residents who have country cottages and garden plots. It seems that consumer service should have all such industrial items. Then the rural residents would not pester the managers of farms with requests for the allocation of equipment to them for the preparation of fodders, fuel and the tilling of personal gardens.

It is impossible to improve the work of rental centers without their equipment with motor transport and means of small-scale mechanization. Republic personal service annually requires about 350 motor vehicles. However, we receive only 200. It hardly worthwhile to speak of what inconveniences a person, who has rented, for

example, a refrigerator or color television, experiences. It must be taken home. But the showroom does not have transport for this. The client is forced to seek an "idle" vehicle and pay through the nose for the delivery of things. And it turns out that the state is trying to make renting inexpensive, but in reality it is expensive.

And a last question. More than 4,000 m² of production areas are additionally needed just for the fulfillment of the volume of rental services, which was planned this year. In no oblast center are there specialized warehouses, from which goods should be delivered to the showrooms and centers. This question is serious. The centralization of the rental stock would make it possible to organize the prompt repair of items, to mechanize handling operations and to create a unified information service.

The situation with facilities in the countryside is especially bad. The majority of centers and showrooms are located in dilapidated, unadapted buildings. The situation with the facilities of ceremonial services is even worse. Halls for the conducting of solemn ceremonies exist in only 10 cities. Even in Alma-Ata there is only one such hall.

I am thoroughly convinced that the problems of the development of renting worry not only the workers of the service sphere. Their solution will help to meet more completely the needs of the Soviet people.

7807

CSO: 1827/187

HOUSING AND PERSONAL SERVICES

PLANS FOR CONSUMER SERVICES IN PODMOSKOVYE OUTLINED

Moscow LENINSKOYE ZNAMYA in Russian 15 Feb 83 pp 1-2

[Interview with N. M. Ovsyannikov, deputy chairman of the Executive Committee of the Moscow Oblast Soviet of People's Deputies, by LENINSKOYE ZNAMYA correspondent A. Yuferev: "Needed Services at Convenient Hours"]

[Text] The development of the service sphere in the Moscow area in recent years has been intensified appreciably. Its material and technical base has become stronger, the sale of industrial goods and foodstuffs has been expanded, the volumes of personal, municipal, transportation and other services, which are rendered to the population, have increased. However, the hours of personal services, trade, housing and municipal services have not completely satisfied the working people. N. M. Ovsyannikov, deputy chairman of the Executive Committee of the Moscow Oblast Soviet of People's Deputies, told a LENINSKOYE ZNAMYA correspondent about what is being done to eliminate this shortcoming.

[Answer] The decisions of the November (1982) CPSU Central Committee Plenum gave us all a distinct and clear picture of what still has to be done for the further strengthening of the economy of the country and the national economy. All the reserves of the increase of labor productivity should be used. And first of all the tightening up of labor discipline. One of the factors of the tightening up of discipline lies in the improvement of the organization of the service sphere.

Not without reason is it noted in the decree of the USSR Council of Ministers, which is devoted to the regulation of the work schedule of the enterprises, organizations and institutions engaged in serving the population, that in many cities and rayons the majority of stores, workshops, clothing repair and tailoring shops, polyclinics and housing operation organizations operate during hours, when the bulk of the working people are busy at the works. In order to solve personal problems, people are frequently forced to obtain leave from work, to take leave with the permission of the administration and at times to violate the established labor procedure. Much time is lost by them due to the poor organization of work and the inattentive attitude toward customers in the service sphere.

An analysis made recently by the oblast soviet executive committee revealed similar shortcomings. For example, in Volokolamskiy, Domodedovskiy, Istrinskiy,

Naro-Fominskiy and a number of other rayons from 30 to 40 percent of the enterprises of trade and personal service close before 1800, and their days off are Saturday and Sunday.

The working people have serious reproaches about the organization of public dining. At the industrial enterprises of the Moscow area it suffers from many shortcomings. This creates definite inconveniences for the workers. For example, in the cities of Dolgoprudnyy, Kashira, Zaraysk, Naro-Fominsk, Istra and Krasnogorsk the supply with seats comes to less than 50 percent.

[Question] Not everyone, apparently, is actively adopting the experience of the people of Orekhovo-Zuyevo and Voskresensk in the changeover of public dining to an industrial basis?

[Answer] It is not a long way from Shatura to Orekhovo-Zuyevo. What, would it appear, is hindering the borrowing of the experience of the neighbors? But neither the Executive Committee of the Shatura City Soviet nor some economic managers are in a hurry to do this. Suffice it to say that here there are no dining rooms at all at the sewing factory, the dairy plant and the city food combine. We will hold them strictly responsible for such an oversight.

In the matter of improving the service of the working people I will cite another experiment of the people of Orekhovo-Zuyevo, which requires dissemination everywhere. Here 85 percent of the workers of the cotton combine with the assistance of the enterprise use the services of the subdivisions of trade and personal service. Last year they acquired, for example, goods worth 200,000 rubles.

So far in the Moscow area only 10 percent of the industrial enterprises and construction projects have organized combined personal service receiving centers for the service of their workers. They do not exist at all at the enterprises and institutions of Domodedovskiy, Istrinskiy and Serpukhovskiy Rayons and in the cities of Zheleznodorozhnyy, Zhukovskiy and Ivanteyevka. And the number of operating delicatessen stores--112, divisions for the sale of convenience foods--159 and order desks--446, cannot give satisfaction.

If we also speak of the fact that last year about 70 percent of the receiving network of the personal service enterprises of the oblast operated during one shift, while 30 percent operated 5 days a week, it becomes clear: such a state of services and the level of its standard and quality do not meet the increasing demands of the working people.

These shortcomings in the work of the enterprises, organizations and institutions engaged in consumer service are evoking the just reproaches of the working people, are adversely affecting the state of labor discipline and labor productivity and in the end are doing great harm to the state.

[Question] What is being done to improve services?

[Answer] A few days ago the Executive Committee of the Oblast Soviet carefully examined the proposals of interested ministries and departments, oblast administrations and divisions, which are involved in the service of the population. They were generalized and for the most part endorsed by the Bureau of the Moscow

Committee of the CPSU. The Executive Committee of the Moscow Oblast Soviet adopted a special decision, the implementation of which will make it possible to improve the service of the working people. Work, the goal of which is to implement the outlined practical measures, has been started in all the services of the oblast soviet executive committee, in all rayons and cities.

The executive committees of the rayon and city soviets have been ordered in consultation with the trade union organizations to extend the hours of stores and to determine the food stores, which have extended hours and conduct trade until 2100. At this time large stores with a general selection of goods should also close.

The hours of stores, which trade in construction materials, household goods, electrical appliances and children's goods, furniture and motor vehicles, will be extended, by means of their later opening. Different hours of opening and closing and of the lunch break should be established for stores which trade in similar goods in the same population center. The food stores located in the vicinity of railroad stations and bus terminals should operate until 2100.

In rural areas the number of stores, at which one salesperson works, is large--more than 2,000. Such stores of consumer cooperatives will open earlier and close later.

The administration of trade enterprises should introduce more extensively sliding schedules of the appearance of personnel at work and should attract students, retirees and housewives more actively for a partial workday. The delivery of foodstuffs and industrial goods to the home of customers and selling by the self-service method should be used in practice, receiving and procurement centers for the purchase from the population of surpluses of agricultural products should additionally be opened.

[Question] Will the changes in hours concern not only trade enterprises?

[Answer] Certainly. For example, all the subdivisions involved in the personal service of the population will operate on a 6- or 7-day work schedule. The receiving centers at large industrial enterprises will begin work 1 hour before the start of the first shift and will complete it 2 hours after its completion. Barbershops and hairdressers will open at 0700-0730 and complete work at 2100.

The Executive Committee of the Moscow Oblast Soviet obliged the rayon and city soviet executive committees, the Main Administration of Trade, the Moscow Oblast Union of Consumers' Societies and the administrations of public dining and personal service to set up at enterprises and construction projects, sovkhoses and kolkhoses receiving centers for the repair of footwear and clothing, the cleaning of laundry and dry cleaning and to use other forms of service, which are convenient for the population. The managers of enterprises and organizations should give the utmost assistance in solving the indicated problems. For example, in the setting aside for these purposes of premises, the necessary equipment and means of transportation. In short, to actively promote the creation of the conditions which enable the working people to use the services of the enterprises of the service sphere without losses of their own working time.

The executive committee of the oblast soviet demanded that the summons of workers during working time to housing operation organizations, passport offices and other

administrative organs be eliminated. The receiving of citizens by their staff members directly in the labor collectives should be used more extensively in practice.

The hours of health care institutions are also being improved. Polyclinics and outpatient clinics, medical diagnostic and preventive treatment offices and medical commissions will receive patients until 2000-2100. The receiving of the population at one of the large polyclinics of each city or rayon in the main medical specialties is being organized on days off and holidays.

It is planned this year to increase the regularity of the traffic of passenger motor transport to 94.5 percent. The schedule of bus traffic should be coordinated everywhere with the work schedule of enterprises, organizations and institutions and with the schedule of electric trains.

It is necessary to regulate the hours of movie theaters and movie projectors and to use the time of their operation, which is most convenient for the working people, with allowance made for the shift nature of the work of enterprises and organizations. It is necessary to expand the sale of tickets at plants and factories, construction projects and dormitories and to adopt everywhere the organization of movie shows in accordance with the orders of enterprises and institutions.

Taking into account the changes of the hours of enterprises which render services to the population, the executive committees of the rayon and city soviets and the oblast department of public education are commissioned to expand the number of groups with an extended day at schools and to create groups with an extended day for children of different ages at children's preschool institutions.

[Question] How is the changeover to the new hours being carried out?

[Answer] More than 1,000 personal service enterprises have already changed over to work without days off, 1 day off has been established for more than 2,700. Moreover, at more than 1,700 consumer service enterprises Monday has been designated as the day off. As a result of the changeover to a 6-day work week the number of personal service enterprises operating with 2 days off has been reduced to two-sevenths. In all 50 clothing repair and tailoring shops, which have extended hours, receive customers from 0700 to 2100 and operate without days off, have been opened.

And here is how the measures on the regulation of the hours of the service sphere are affecting the decrease of the losses of working time by the working people. In Mytishchi the opening of a combined personal service receiving center at the Stroyplastmass Combine led to a decrease of the losses of working time by 4-5 percent. The same results were obtained at the Fryanovo Worsted and Spinning Factory.

Another 40 food stores with extended hours, which conduct trade until 2100, have been added in the Moscow area. In the Moscow Oblast Union of Consumers' Societies 1,171 food stores, 214 industrial goods stores and 189 stores for trade in goods of everyday demand operate in accordance with a continuous work week.

In public dining the hours of dining rooms, refreshment counters, delicatessens and order divisions at industrial enterprises for the most part meet the demands being made. The hours of 325 cafes and dining rooms are being changed. In all 86 enterprises will be open from 0700, 120 will be open until 2100. During 1983-1985 it is planned to open 153 stores and divisions for the sale of convenience foods, delicatessen and confectionary items.

At the Stupino Trust of Dining Rooms two take-home kitchens have been changed over to work according to a sliding schedule without days off and are open from 0800 to 1900. Here the hours of the delicatessens, which are now open from 0900 to 2000 without a lunch break, have been extended.

Now all 185 rural outpatient clinics receive visitors on Saturdays from 0800 to 1500. On the other days of the week they are being changed over as of 15 February to work according to a sliding schedule from 0800 to 2000.

In short, wherever they treat attentively the needs and demands of the working people, the reserves are quickly put to use and yield the anticipated effect.

It is necessary to expedite the changeover of housing operation organizations and municipal services to the new work schedule. There is not time for dawdling.

In conclusion I would like to say that, while speaking at a meeting with Moscow machine builders, Comrade Yu. V. Andropov emphasized that "the establishment of order really does not require any capital investments, but yields an enormous impact."

Now it is necessary to achieve the more efficient work of the staffs of the executive committees of the soviets of all levels, to improve the style and methods of their activity, to decrease the number of meetings and to devote more attention to the practical organization of the matter. The discipline and responsibility of the workers of the administrations and divisions, enterprises, institutions and organizations, which are engaged in serving the population, should be increased. All this, undoubtedly, will have a positive effect on the solution of the problems connected with both the labor and the daily life of the working people.

7807

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HOUSING AND PERSONAL SERVICES

NEW HOURS, SUGGESTIONS MADE FOR TALLINN CONSUMER SERVICES

Moscow IZVESTIYA in Russian 10 Feb 83 p 2

[Article by Tayvo Ryukenberg, director of the House of Trade and chairman of the standing commission on trade at the Tallinn city soviet of people's deputies, under the caveat: "Letter from a Deputy": "Working Hours: Trade and the Service Sector in Tallinn are Considering the Interests of the People Occupied in Production"]

[Text] I have observed many times from my office window in the Tallin House of Trade, how the women run out of the neighboring establishments and institutions during the lunch break, and rush into the stores. Having discovered hard-to-get items on the store shelves, they quickly return to their places; but in a few minutes there are already crowds of their friends rushing to the stores with their shopping bags. They aren't able to get through during the lunch break, but this doesn't bother them much; they'll stand in line until they get what they need.

Strange as it may seem at first glance, not long ago one could come to the conclusion—comparing the operating hours of the stores, tailoring and dress-making shops, laundries, barber shops and so on—that the organizations in the service sector themselves were responsible for the habit the citizens have acquired, of taking care of their domestic concerns at the height of the workday.

According to the data for the last seven years, the main stream of shoppers at the House of Trade arrives right at the time of the lunch break, and especially in the hours just before and just after that period. Thus, last year, 17 per cent of the day's shoppers would ordinarily visit the store between 9:00 and 11:00 AM, while over 60 per cent would visit between 11:00 and 17:00.

Of course it would be much simpler to shift the responsibility to the managers at the enterprises and establishments, demanding that they increase the discipline in their collectives, and that they refrain from releasing people on various pretexts during working hours. It goes without saying that all this must be done and done more energetically than heretofore. But if one looks the facts in the eyes, as they say, one must admit that there are indeed objective difficulties, which make it hard for the people to take care of their personal business right after work. These are connected with the operation of transportation, which is provided toward the end of the shift; with the necessity for picking up the children from kindergarten; or, let's say with a chance to go to the theater today.

After deciding to discuss this question at a meeting of the standing commission on trade at the Tallin city soviet, we consulted with workers in the trade and service sectors, with the managers of enterprises and organizations, and with the activists among the deputies. What should be adopted in order to strengthen labor discipline and to satisfy much more completely the needs of the populace? This problem is still an urgent one for us, and here is why: Nearly 60 per cent of the entire goods turnover in the city is comprised of locally-produced goods. Consequently, the better the labor discipline at the enterprises, the more goods there will be in the stores, and the less time one must spend in the stores in order to get them. Bearing this interrelation in mind, the standing commission has worked out recommendations for streamlining the services offered to the people.

Out of the 182 food stores in the city today, two-thirds are open until 8-9:00 PM, and there is a store which stays open later than others, where one may make purchases until 11:00 PM. In the House of Trade, at other stores which sell manufactured consumer goods, and at grocery stores as well, there is no lunch break and the workday has been extended. A great deal is being done to streamline operations at the stations which receive and return customer orders in the domestic services sphere. The overwhelming majority of these commence work at 8:00 AM and earlier, and close at 8:00 PM and later. Out of 343 receiving stations, 305 are open on Saturday and 105 on Sunday. Certain stations operate on one shift according to an established system: three days a week they operate from 8:00 AM to 5:00 PM, and two days from 12:00-8:00 PM. Nevertheless, in analyzing customer utilization by hours, one is convinced anew that many workers nevertheless manage to visit between 10:00 AM and 12:00 PM, and from 2-4:00 PM, that is, during the working day.

In our view, locating trade and domestic services enterprises closer to the plants, factories and large establishments would help improve services to the working people. It would be expedient to open branch stores and receiving stations for domestic services, barber shops, and many others there. This form of service is well-received in the production collectives. At 90 Tallin enterprises dry-cleaning establishments, shoe-repair shops and sewing and darning repair shops are operating successfully, and there are multi-purpose receiving stations as well.

But here we met with an unexpected difficulty. Under various pretexts certain enterprise managers are avoiding locating service points at their locations, unwilling to take on the additional concerns: they have to allocate the space, equip it and provide for operating conditions, and they have to make things convenient for everyone. Last year 30 enterprises in the city were given proposals for opening domestic service points on their territory, but only two of them responded positively. The rest declined, motivated by lack of space or accommodations. It goes without saying, that one can always find the space if one has the desire; after all, they aren't asking for a mansion.

There are 280 industrial enterprises in Tallin. Of these, 90 are quite large, with large and stable collectives. We are convinced, that the rational location of service-sector enterprises could assist in firming up production discipline at the industrial enterprises.

In order to more fully satisfy the needs of the working people, we embarked on an experiment: goods which are available in limited quantity are offered for sale at 5:00 PM, that is, toward the end of the day; and those who have worked their shift have the opportunity to visit the store.

I know from many years of experience that if anyone can find an exact, lasting and flexible alliance between the working collectives and the trade sector, this would be the public catering enterprises. If there is a night shift at the plant or factory, an establishment is opened which serves hot food; if there are some kind of changes in the working conditions of the collective, then and there the public catering establishment makes the corresponding change in its rhythm. And this is not only at the plant, but in the city as well. We have a number of cafes, which operate until 2:00 or 3:00 AM. And why? Every year there are more than a million tourists in the city, and not to consider their needs means, other things aside, spoiling their mood and losing their business as well.

If there is no serious discord in our city today in the work routines of the industrial enterprises and the service sector, one should attribute this entirely to the firm contacts among them.

Reflecting on ways to regulate the contacts between "working man and service sector", the idea occurred to us that it might be reasonable to not only break the habit which many people have acquired to make their purchases during the lunch break, or during working hours, but also to be flexible in adapting to the actual conditions which have come to pass. What do we have in mind? At the enterprises where it is possible, with the consent of the trade union organization, and with the approval of the collective, it might be possible to legalize the actual time of the lunch break, let's say, to an hour-and-a-half or two hours (and maybe even more), starting the workday a little earlier and quitting later. In this case, many of those who are occupied in production would utilize the break just as they do now, to take care of their personal affairs, but not furtively and not by "getting permission to be absent", but on a legitimate basis. It would be rash to make a hasty decision on this account. Every collective must weigh all the "pros and cons". But the suggestion itself, in our view, deserves attention.

Reducing the amount of time which goes to shopping and the service sector can also be accomplished by virtue of widely advertising the where, what and when. It has become customary to set up information booths, primarily in the large stores and at the multi-purpose receiving stations for customer orders. And why not have such "information centers" at the leading enterprises and at the institutions? Just imagine, passing through the entrance in the morning, you slow down at the bulletin board where all the nearby service enterprises are listed, their working hours are indicated, and the range of goods enumerated.

And we would like to express one more consideration. The majority of the city's residents avoid visiting the stores during the evening hours. Returning home after work, people go off to their family concerns; they settle down in front of the television; they decide to go to the movies or to the theater; that is, they prefer to relax. One rarely sees an entire family

setting out for the store. For we've become accustomed to thinking that shopping is not so much a new and pleasant experience, as an additional pressure. Perhaps in the future, in planning shopping centers in the city, it would be appropriate to colocate them with entertainment enterprises, with restaurants, cafes and so on; thus, a family could spend the evening in such a center, both relaxing and shopping. Here it is up to the planners, the economists and the sociologists to decide.

The decree of the USSR Council of Ministers on questions associated with regulating the working conditions at enterprises, organizations and institutions occupied in providing services to the populace, envisages further improvement in this entire sector, in order that it may more fully satisfy the interests of the working people above all, while supporting the strengthening of labor discipline and increasing the productivity of labor in all sectors. Existing experience and the search for new reserves in this direction will help to coordinate the interests of the service sectors with those of material production, and to achieve an harmonious blend.

9006

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CONSUMPTION TRENDS AND POLICIES

KONDRASHOV ON **EFFECTIVE** USE OF CAPITAL IN CONSUMER GOODS SECTOR

Moscow SOVETSKAYA TORGOVLYA in Russian No 3, Mar 83 pp 4-8

[Article by P. Kondrashov, USSR first deputy minister of Trade: "Increase the Efficiency of the Branch"]

[Text] The November (1982) Plenum of the CPSU Central Committee posed the problems of economic efficiency in a special way. This is a result of the fact that in recent years as a development of the decisions of the 26th Party Congress a number of decrees have been adopted, both general decrees for the entire economy and branch decrees, including for trade. In them the chief directions in increasing efficiency are made, a normative base is created, and concrete organizational forms which will provide the most help in shifting to intensive development are defined. It is now a matter of practical execution.

However, as the General Secretary of the CPSU Central Committee Yu. V. Andropov emphasized in his speech at the plenum, "plans continue to be fulfilled at the cost of great expenditures and production costs. There are still quite a few economic leaders who, while willingly quoting Leonid Il'ich's pithy words to the effect that the economy must be economical, they do little in practice to accomplish this task. Apparently, the power of inertia and a habit for old ways are still in effect. And some people, I am sure, simply do not know how to begin the work." This is why the party has now placed the chief emphasis on first of all accelerating the work to improve the leadership of the economy.

And this is understandable. When where one has to go and what normatives have to be striven for are known a decisive importance is acquired by the organization of the movement itself, by governing the behavior of people, skillful planning, stimulation, and, when necessary, also by rigid administrative leadership.

All of this fully applies to our branch also.

Without this kind of management mechanism we cannot accomplish the tasks which have been defined in the decree of the CPSU Central Committee and USSR Council of Ministers on the further development of trade. What is involved here, first of all, is the efficient and full use of the capital investments which are allocated for the development of our branch.

In 1981-1982 state capital investments, Stroybank USSR and Gosbank USSR credit (above all for the above-plan construction of enterprises connected with the fulfillment of the Food Program) and other noncentralized sources were the basis for the fulfillment of the assignments established by the above decree for the first two years of the 5-year plan for the commissioning of distribution refrigerators, general commodity warehouses, and fruit and vegetable storage units.

At the same time, it is necessary to call attention to the fact that of the 416 million rubles allocated for the year to the "trade" branch, around 100 million rubles have not been utilized.

Poor use is being made of the five percent allotments from capital investments which are allocated for housing construction and which are designated for the development chiefly of retail trade and public catering enterprises. Despite the fact that the number of republics utilizing these funds has increased, in the country as a whole of the 517 million rubles allocated for these purposes in 1982, 240 million rubles were not utilized. Especially unsatisfactory use was made of them in the Turkmen, Tajik, Latvian, and Kazakh SSRs and in Moscow.

However, by itself the utilization level of capital investments is not yet evidence of their efficient use. Work has to be organized in such a way that funds are expended for the creation (including on the basis of reconstruction) of only the most progressive and economical objects in which the achievements of scientific and technological progress and of advanced experience are employed in order to achieve an economy of materials and of labor expenditures in construction. Here we still have a very large number of shortcomings, chiefly as a result of inept management.

It has been several months now since the new Nomenclature of Types of Public Catering Stores and Enterprises was ratified and put into operation. It defines the mandatory types of enterprises and the ways of organizing them on the basis of the re-specialization and reconstruction of the existing system. However, as checks show, in a number of republics even the leaders of the ministries of trade and of related services have not studied these documents and do not know how to use them.

The same also applies to the use of standard plans for the construction of trade objects.

In many republics and oblasts, despite the availability of standard plans which correspond to the Nomenclature of Types of Trade Enterprises and which provide for the use of the most progressive production processes, the construction and reconstruction of the system is conducted on the basis of obsolete plans which do not even take account of the specifics of the branch. The chief reason is that the union republic ministries of trade do not control the content of plans object by object.

Checks which have been conducted in the Uzbek SSR, and in the Kazakh, Ukrainian, Latvian, Tajik, and Belorussian SSRs have revealed quite a few essential defects

in the planning and construction of trade enterprises. Frequently it only becomes clear after the commissioning of an apartment house what the purposes are for which an area has been assigned on the first floor--for a store, pharmacy, or domestic services enterprise. This does not allow the timely introduction into the layout planning of constructive clarifications to meet contemporary demands. In such stores the sales floors have uneven flooring, narrow doorways, and a broken configuration on account of the apartment house entrances. It is impossible to introduce into them an advanced technology of commodity movement, storage, and sales involving a maximum mechanization of labor intensive processes.

The inter-branch overall trade rationalization programs are supposed to play an important role in ensuring the efficient expenditure of capital investments in our branch. It is they which, in accordance with the decree of the CPSU Central Committee and USSR Council of Ministers, are supposed to become the most all-purpose documents which include a single system of concrete measures and assignments coordinated for resources, financing sources, executors, and schedules. The realization of these programs which have been ratified by the ispolkoms of the oblast and city Soviets of People's Deputies will best of all ensure the mass introduction in trade and public catering enterprises of the modern achievements of science, engineering, technology, labor organization, management, and advanced experience with the most efficient use of financial, material, and labor resources.

Henceforth, the development and realization of such programs will not be simply a matter of the initiative of advanced workers, but a mandatory form of management in the field of the organization of trade, the utilization of capital investments, the introduction of new equipment, advanced technology, and labor organization, and so forth. An analysis shows that in many republics the development of trade and public catering rationalization programs has still not been completed, and the creation of republic centers for the introduction of the achievements of scientific and technological progress and for the rationalization of trade, and also related oblast laboratories has been dragged out.

Our branch should benefit greatly from the enlistment in the development and fulfillment of overall trade rationalization programs of republic industrial ministries and their enterprises. However, in many republics practically no use is being made of this reserve.

A substantial economic effect for the entire economy as a whole and for trade in particular will be obtained from the realization of the inter-branch overall program for the mechanization of labor and the introduction of a progressive commodity supply technology involving the use of packaging equipment in the retail and wholesale trade and food branches of industry in 16 regions of the country. However, its realization rates are still slow. This is causing especial worry, since the regions were defined by the republics themselves and they are supposed to serve, in essence, as lighthouses in the field of the introduction of advanced technology.

In two years of a 5-year plan the assignments for the introduction of packing equipment within the framework of the program have not been entirely fulfilled. The amount of production by industry of packaged foods and of their delivery in packing equipment is insufficient in most regions. Trade enterprises are poorly supplied with mechanization equipment and packaging materials, and frequently there are no object-by-object reconstruction and construction plans for trade enterprises in 1983-1985.

A lack of organization and an inability to reorganize and employ new forms of planning and management even when they have been prescribed by a decree of the party and government, worked out methodologically, repeatedly explained at seminars, and distributed directly to their addressees--these are the chief reasons for the shortcomings which are hindering an improvement of the qualitative indicators of trade's work and are reducing its efficiency.

What has to be done in 1983 in order to increase the branch's efficiency?

Above all, it is necessary to sharply activate work for the fulfillment of the overall trade rationalization programs and branch special-purpose programs. How this was done in the RSFSR Ministry of Trade and every territorial program has to be analyzed, and then its ratification has to be gotten by the oblast and city oblispolkoms.

But in the center and in the localities it is necessary to amend with a view toward the results of 1982 the 1983 capital construction plan for trade objects and to provide for a further decrease in the number of newly begun construction projects, concentrating capital investments on the most important carry-over start-up construction projects.

There has to be an increase in the amount of capital investments assigned for the reequipping and reconstruction of operating trade enterprises, including separately--on the basis of the five percent allotments, allocating these funds for individual assignments in the republics and assigning them to concrete objects in the overall rationalization programs.

Jointly with the construction ministries, it is necessary to strengthen day-to-day control over the cost of construction and to ensure the commissioning of the most important start-up objects of the branch within the schedules established by plan.

The ministries of trade in the union republics have to devote more attention to work with local Soviets and USSR ministries and departments on making the fullest use of the five percent allotments, and, first of all, they have to take direct part in the composition by the union republic Gosplans of the summary plans of the capital construction of trade objects worth these funds. Capital repairs monies have to be enlisted more actively for reconstruction, including for planning work. This right has to be granted, and this source of financing should also be considered and distributed among concrete objects.

In the third year of the 5-year plan it is necessary to carry out major measures to improve the organization of trade by means of changing the structure of the trade network and introducing efficient forms of commodity sales.

Special mention should be made of the program for the universalization of the sale of foods in combination with industrial goods of everyday demand. We are talking about the necessity for making a sharp leap forward in the development of a network of stores of the "universam" type.

There are now more than 460 standard universams in state trade. But it is generally known that to fill them is a difficult and expensive affair. At the same time, we have a far-flung network of quite large stores which sell foods in residential areas where it is frequently unprofitable to build new universams. This is where the task has been set of expanding the network of universams in 1982-1985 through the reconstruction and reequipping of 387 self-service food stores. More than 140 million rubles in additional capital investments would be required for the new construction of this number of universams. The ministries of trade have to take the reconstruction of these objects under especial control, and, in the first place, supply them with the additional equipment and inventory in accordance with the universam equipment outfitting norms.

At the same time, checks which have been carried out by the USSR Ministry of Trade show that in individual union republics in stores of the "universam" type there is an extremely narrow assortment on non-food goods, frequently the sale of bread and vegetables has not been provided for, there are no cafeterias, and other technological requirements have not been observed. Serious work has to be done to bring all operating universams up to "standard" in order to obtain from them the social and economic effect which is contained in this type of enterprise.

The November (1982) Plenum of the CPSU Central Committee defined the task of improving management as a key element in increasing economic efficiency.

An improvement of the organizational structure and forms of management is a component part of this process.

As is known, these problems are solved within the framework of the general trade management plans which are approved in the union republics and which provide for the realization of concrete measures to eliminate multi-levels in management, reduce the number of trade organizations and consolidate them, and introduce progressive organizational forms of management.

The elimination of duplication in the work of trade systems which are subordinate to different departments has proven to be the most acute problem which is solved in the general plans.

The fullest and clearest delimitation is provided for in the general plans of the Ukrainian SSR and the Belorussian SSR in which the spheres of activity

of the local trade organization systems, the Central Union of Consumers' Societies, and of workers' supply are defined territorially, concretely by cities. The general plans of a number of other republics provide only for a mutual transfer of part of the trade network from one system to another without a principled demarcation of zones of activity (Uzbek, Latvian, Tajik SSRs); the general plans of the remaining republics contain, in essence, no measures to eliminate parallelism.

The ministries of trade of the union republics have to annually prepare and submit for the consideration of the Councils of Ministers proposals that take account of the demands for raising the level of trade services. Connected to this problem in the closest way is the creation of new workers' supply divisions in the system of workers' supply which beginning with 1983 are supposed to be organized with the agreement of the Councils of ministers of the union republics, the USSR Ministry of Finance, and the USSR Ministry of Trade. In this connection, the ministries of trade of the union republics have to conduct a most careful examination of the proposals of industrial ministries for the organization of workers' supply divisions on the territory of the republics, and have to carefully examine the prerequisites and degree of socio-economic validation of their creation in order not to permit parallelism in the work of the different trade systems.

Work has to be continued in the republics during the current 5-year plan on the introduction of general plans within the schedules established by decrees of the Councils of Ministers of the union republics.

In 1983 the branch's scientific research institutions will complete the development and publication of a new Nomenclature of Types of Retail Trade Economic Organizations which is supposed to orient the system toward the introduction of efficient types of organization which ensure high indicators for economic work, efficient management, and the necessary level of the standard of services for the public.

An improvement of the forms of commodity sales is one of the most important reserves for trade efficiency.

As of the beginning of 1982 the level of self-service had reached 55 percent in the overall commodity turnover of state trade stores, including 47 percent for food and 64 percent for non-food commodities. The highest indicators (higher than 65 percent) were achieved by the Moldavia, Belorussian, and Estonian SSRs. As in the past, poor work is being done to introduce self-service in the Armenian SSR, the Azerbaijan SSR, and the Latvian SSR (44-52 percent). The level of self-service is still low in the RSFSR, and the Ukrainian, Tajik, and Georgian SSRs.

The ministries of trade of the union republics have taken varied approaches to planning this indicator for the 11th Five-Year Plan. Thus, Estonia and Kazakhstan plan to bring the level of self-service to 70 percent. Moldavia, Belorussia, and Lithuania are also striving to reach this level, but such

republics as the Latvian, Armenian, and Tajik SSRs continue to plan a low level of self-service (55-60 percent).

The ministries of trade of these republics should make a deeper analysis of the state of affairs and take measures to attain the level of the advanced republics.

In the 11th Five-Year Plan the sale of large commodities from models with home delivery, bypassing stores, will be organized in 610 trade enterprises. With this kind of selling, in addition to safeguarding the quality of the commodities, a substantial economy of transportation expenditures (more than two times), labor resources, and sales space is achieved, and commodity turnover is accelerated.

The development of sales on the basis of models is an inter-branch task, and the overall rationalization programs have to have established in them assignments not only for trade, but also for the industrial, transportation, and domestic organizations upon which the development of this progressive form depends.

Under present conditions, sale on the basis of preliminary orders promotes a more efficient use of food resources. As many years of experience have demonstrated, the organization of the reception and filling of orders directly at industrial enterprises and construction sites has gained wide approval from the workers.

But in individual republics the necessary attention is still not being given to this form of service. In the Uzbek, Tajik, and Turkmen SSRs there are only from 10 to 20 such points.

In the 11th Five-Year Plan the task has been set of increasing the number of order reception points at industrial enterprises and construction sites to 9,000 (the increase during 1983-1985 will come to more than 2,500).

A further improvement of services for the population is closely connected with an improvement of the operations mode of trade enterprises. Measures are being taken in the localities in this direction. There are more stores which are open during the evening. However, in individual cities the operations mode of a number of enterprises which sell non-food commodities continues to be inconvenient for the workers and does not always permit them to make purchases after the end of the work day.

In order to further improve services and cut down on losses of working time the USSR Council of Ministers has adopted a decree on the questions connected with bringing order into the operations mode of the enterprises, organizations, and institutions which are engaged in the public services. Work has to be organized in such a way that the needs and requirements of the Soviet people are met more fully and better, and without detriment to their production activities. Practical measures to bring the necessary order into the work of these enterprises are to be carried out as early as the first quarter of 1983.

The USSR Ministry of Trade has bound local trade management agencies to improve, in agreement with the ispolkoms of the local Soviets of People's Deputies and trade union organizations, the operations mode of trade enterprises. It is intended:

to establish the working time of department stores until 21 hours;

that the evening hours be extended for stores which sell furniture, automobiles, electric household and other household goods, children's goods, construction materials, and jewelry, and also commission stores. In order to do this they are to open later, a belt (sliding) work schedule is to be introduced for the personnel, a two-shift operations mode is to be used (with a break of more than two hours), and workers are to be enlisted for part-time work;

it is also necessary to establish different work and dinner hours for stores which sell similar commodities;

to ensure punctual information for the population about the operations mode of trade enterprises, and so forth.

It is necessary to reorganize the operations mode of food stores in order for them to respond to the maximum to the buyer's interests.

The Basic Directions of the Economic and Social Development of the USSR for the Years 1981-1985 and for the Period Until 1990 which were adopted by the 26th CPSU Congress provide during the coming decade for a fuller satisfaction of the population's needs for high quality and diverse foods, and for developing the network and improving the work of kolkhoz markets. The role of kolkhoz trade will undergo especial growth in connection with the realization of the USSR Food Program.

As of 1 January 1982 there were 5816 kolkhoz markets in the country with 1,458,000 selling points. During the 11th Five-Year Plan (according to current data), assignments which have been approved in the union republics call for the construction of 230 and the reconstruction and improvement of 140 kolkhoz markets.

The ministries of trade of the union republics have to not only strictly control the fulfillment of the planning assignments for the construction, reconstruction, and improvement of kolkhoz markets, but also carry out organizational work to increase the procurement of surplus foods from various sources. And, above all, from the kolkhozes and sovkhoses which have been permitted to sell 10 percent of their output and have it credited to the procurements plan.

These measures have to be looked upon not only as economic measures, but also as social ones.

An expansion of the trade network and an increase in the commodity turnover of commissioned sales of non-food commodities is a very important work sector

on which our efforts should be especially concentrated. It is a serious source for enlisting additional commodity resources to meet the population's demand. But today the network of commissioned stores does not allow the organization of the continual reception from the population of articles for sale on commission in a wide assortment.

In organizing commissioned trade especial importance has to be given to services and sales forms.

The task of the ministries of trade of the union republics is to ensure during the current 5-year plan the fulfillment of the approved assignments for an expansion of the network of commissioned stores, to constantly increase the amount and assortment of goods which are accepted for commissioned sale, and to create maximum conveniences for the population which sells its goods.

Important tasks face public catering in 1983. In 1981-1982 the network of public catering enterprises increased by 1.3 million seats, or by 7.6 percent, which corresponds to the established assignment for the 11th Five-Year Plan. Assignments were substantially overfulfilled in the Belorussian, Uzbek, and Moldavian SSRs. At the same time, the Kirghiz, Azerbaijan, Kazakh, Georgian, and Turkmen SSRs did not fulfill their assignments.

Good development is being achieved by the network of workers' dining rooms of the Ministry of Ferrous Metallurgy, construction materials industry, food industry, mineral fertilizers, light industry, tractor and agricultural machine building, installation and special construction work, and others. However, as a whole, the assignment for the development of public catering at production enterprises was fulfilled by only 90 percent.

This occurred above all on account of the unsatisfactory organization of public catering at the enterprises of a number of ministries and, above all, the USSR Ministry of Energy and the USSR Ministry of Petroleum and Gas Construction.

The leaders of the main administrations for worker supply and of the workers' supply administrations have to take effective measures to eliminate lagging in the development of the network and to ensure the fulfillment of the assignments for 1983 and for the 5-year plan as a whole.

Regardless of their departmental subordination, all trade organizations have to work at improving meals for pupils. The development of a network of base enterprises for supplying school dining rooms has to become the chief direction here in making more correct use of food resources.

The introduction of industrial methods of output production is the general line in the development of public catering in the 11th Five-Year Plan. This work is being conducted by means of shifting public catering enterprises to overall supplies of semi-finished goods and confectionery and culinary products which are made both by food industry enterprises and by the factories of the branch.

In raising the level of the industrialization of the branch, the experience of the Pervoural'skiy Dining Room Trust in developing Culinary Production Associations for preparatory and pre-preparatory enterprises deserves dissemination. These associations are connected by a single production process, as well as the sale of the products.

In 1983 the ministries of trade of the union republics, the main administrations for workers' supply, and the workers' supply administrations have to develop organizational work to fulfill the overall plans for the introduction of industrial methods which have been slated for 1983 and for the 11th Five-Year Plan, realizing them in the localities through the overall rationalization programs. Use has to be made of the help of party and government agencies and of large industrial enterprises and associations, and the enterprises of the food branches of industry and of the fruit and vegetable system have to be actively influenced.

The strengthening of cost accounting, the observance of a regimen of economy, and the safekeeping of socialist property have to constantly be in the field of vision of the USSR Ministry of Trade and the union republic ministries of trade.

It has to be said that the measures which have been aimed at increasing the possibility of trade are not yet producing the necessary effect. In 1982 the trade organizations of the union republic ministries of trade did not fulfill their profits plans. The reasons consist not only in a failure to fulfill the established commodity turnover plan, but also in the existence in the system of non-productive expenditures and losses from mismanagement. Distribution costs have increased (in retail trade by 0.09 percent, and in public catering by 0.39 percent in relation to turnover) not only for objective reasons connected with changes in wholesale prices and fees, but also as a result of the growth of above-norm stocks of certain commodities, a failure to observe a regimen of economy, and cases of mismanagement in a number of the system's trade organizations.

As is witnessed by the materials of checks and an analysis of reporting data there are reserves for decreasing losses and distribution costs in the system of the union republic ministries of trade.

These reserves are in improving the quality of the reception of incoming goods, improving the storage and sale of food and industrial commodities, improving and activating commercial activity, and a deeper study of buyer demand under changing market conditions for certain goods. There are also reserves in the use by trade organizations of their own and rented motor vehicle transport. As the experience of, for example, Voroshilovgrad has shown the extensive use of packing-equipment and the development of dispatcher services for commodity supplies result in a twofold-threefold decrease in the need for motor vehicle transport and, correspondingly, in the expenditures for freight shipments.

Trade organizations have large losses and expenditures on account of the careless handling of packing when it is opened, stored, shipped, and graded for delivery to packing collection organizations.

An improvement of the work of the legal services of trade organizations, the punctual presentation of complaints, the elimination of elements of mismanagement, and an improvement of accounting will also make it possible to decrease expenditures and losses in trade organizations.

The November (1982) Plenum of the CPSU Central Committee emphasized the acute necessity for an efficient and economical use of fuel and energy resources.

In recent years all of the republic ministries of trade have been fulfilling their established assignments for economizing, but, as is known, the demands have now sharply increased. In order to appreciate the amount of energy consumed and the importance for the branch of economizing it, suffice it to say that the economy of electric energy which was obtained in 1981 in the union republic ministries of trade in the amount of 400 million kilowatt-hours is equal to the annual consumption ceiling for the ministries of trade of the Moldavia, Lithuanian, Armenian, and Kirghiz SSRs combined.

In order to raise this work to a higher level there has to be an acceleration of the development and introduction of branch electric energy consumption norms, which has to be under the constant control of the Main Administration for Science and Engineering of the USSR Ministry of Trade and the union republic ministries.

There are also reserves for decreasing expenditures in the planning of distribution costs. The distribution costs plans are established by individual organizations of the ministries of trade of the Azerbaijan, Kirghiz, and Tajik SSRs without sufficient economic substantiation, and without regard to the actually attained level and the possibilities for a further decrease in expenditures. And this means that the plan ceases to be an effective instrument of management and does not stimulate a search for economizing reserves.

Unfortunately, we cannot say that a reliable barrier has been set up in this system to stop squandering, theft, and other abuses.

The struggle against abuses and mismanagement has to be waged constantly and purposefully. It is necessary to rigidify the demands upon the leaders of trade organizations who unsatisfactorily carry out the decisions of directive agencies and the orders and instructions of the Ministry regarding the safekeeping of valuables.

Recently the USSR Ministry of Trade has published a number of documents aimed at strengthening control and state discipline, eliminating shortcomings in the organization of trade and public catering, and bringing the necessary order into the work of stores, dining rooms, and restaurants. It is now a matter of their absolute fulfillment.

The General Secretary of the CPSU Central Committee Yu. V. Andropov said at the November (1982) Plenum of the CPSU Central Committee: "It is necessary

to create the kinds of conditions--economic and organizational--which will stimulate high quality productive labor and initiative and enterprisingness. And, on the contrary, poor work, idleness, and irresponsibility have to have the most direct and irreversible effect upon the material remuneration, the position at work, and the moral authority of workers." It is these kinds of economic and organizational conditions which have to be created in all of the sectors of our work.

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2959

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MOLDAVIAN SSR SUPREME SOVIET MEETS ON CONSUMER GOODS

Kishinev SOVETSKAYA MOLDAVIYA in Russian 6 Apr 83 pp 1--2

[Article: "In the Permanent Commissions of the MoSSR Supreme Soviet"]

[Text] The Permanent Commission on Consumer Goods and Trade of the MoSSR Supreme Soviet has discussed the question of the work of the MoSSR Ministry of Trade and the Moldavian Consumers Union with regard to improving trade services to the public and the observance of the laws on trade. It was noted that in the republic's state and cooperative trade effective measures have been taken along these lines. There has been a significant growth in the per capita goods turnover; it has grown at an outstripping pace in the rural localities.

Nevertheless, substantial deficiencies and omissions continue to take place in the work of the MoSSR Ministry of Trade, the Moldavian Consumers Union, and their organs in the localities. The level of trade services does not yet correspond to the increased demands of people, to the tasks assigned by the party and the state in this area.

Interruptions have been allowed in providing the population with goods of prime necessity, goods being produced by industry in sufficient quantity and which are available at centers and warehouses. Also being carried out poorly is the handling of commodity resources depending on demand, seasonal, and other conditions. In retail trade and public dining there are not infrequent instances of violations of retail prices and trade regulations, facts of shortages, thefts, spoilage, and concealment of consumer goods, as well as selling goods directly from warehouses, bases, and auxiliary areas, along with other violations of the laws on trade.

The Ministry of Trade and the Moldavian Consumers Union have not been sufficiently effective in exercising monitoring controls over the work of the materially responsible persons, managers of trade enterprises, accounting and bookkeeping employees, and they have failed to put into practice strict procedures for the accounting and storage of material valuables and monetary funds; they have not ensured the observance by trade workers of the sanitary regulations for the storage and sale of highly perishable products, they have minimized the standards for workers to pass medical inspections and the strict observance of laws on trade.

Insufficient concern has been manifested for further strengthening the material and technical base of trade. There has been a considerable reduction in the functioning norms for providing enterprises with trading space, general-goods warehouses, distributive refrigerators, and storage facilities for potatoes, vegetables, and fruits. At the same time the capital investments allocated for these purposes are not being fully assimilated. Nor have shortcomings been eliminated in the distribution of trade enterprises and their operational regimes.

In the decision which it adopted the Commission on Consumer Goods and Trade of the MoSSR Supreme Soviet recommended that the MoSSR Ministry of Trade, the Moldavian Consumers Union, and their organs in the localities take effective measures to eliminate existing shortcomings in trade services to the public, to fulfill the plan assignments, to strictly observe the requirements of the laws on trade; to effectively handle commodity reserves, to redistribute them on schedule, especially in rural localities; to raise the level of trade services, to improve the advertising and the organization of showcasing goods, to make broader use of the progressive forms of trade; to adopt effective measures so that trade and public-dining enterprises live up to the sanitary requirements and to strengthen the departmental controls over the unconditional observance of the operational regime which has been established for these enterprises; to ensure the strict observance of state and labor discipline, the assimilation of capital investments being allotted, the regime of savings in the use of material, financial, and other resources, as well as their full preservation, curtailing non-productive expenditures and losses; to wage a decisive and implacable struggle against all kinds of thefts, shortages, wastefulness, and other malfeasances.

It has been recommended that the ispolkoms of the local Soviets of People's Deputies, the law-enforcement organs, and the trade organs continue their work with regard to the prevention, discovery, and cutting short of legal violations in trade, and holding the guilty persons strictly responsible.

2384

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CONSUMPTION TRENDS AND POLICIES

CONSUMER GOODS PRODUCTION COMMISSION ESTABLISHED IN L'VOV

Moscow IZVESTIYA in Russian 28 Mar 83 p 1

[Article by I. Mar'yamov, chairman of the City Soviet Permanent Commission on Consumer Goods Production, instructor at the Printing Institute imeni I. Fedorov: "Under the Monitoring Controls of the Permanent Commission"]

[Text] Every year L'vov's enterprises supply the trade network with items in everyday demand amounting to a value of 1.8 billion rubles. They produce another billion rubles worth of items of a cultural-everyday and household nature. Many of the needs of L'vov's people are satisfied by the efforts of the local enterprises, including those under Union jurisdiction. But, as was completely correctly stated in the letter by a group of deputy-members of the permanent commissions of the USSR Supreme Soviet entitled "Goods for All Are the Business of All" (IZVESTIYA, Nos 78/79), we must not be satisfied with what has been achieved.

Our city's Soviets of People's Deputies through their own permanent commissions on industry are utilizing the means granted to them by law for monitoring the progress of organizing the serial output of items which are in short supply within the trade network or are being shipped in from far-away places. However, we cannot fail to note that the above-mentioned commissions are engaged in a very wide circle of problems. That would be fine, if they succeeded in penetrating deeply into the problems connected with goods.

Therefore, L'vov's Leninskiy Rayon Soviet of People's Deputies two years ago formed a permanent commission on the production of consumer goods. Last year the Leninskiy Rayon's enterprises increased the output of consumer goods and put on line new items which had not been produced previously. Quite a bit was accomplished here upon the initiative and participation of the ray-soviet permanent commission.

The City Soviet of People's Deputies also considered it necessary recently to form a permanent commission on the production of consumer goods. It includes 17 deputies, 15 of which are directly connected with production--workers, foremen, and enterprise managers. There is more than enough business for the deputies to handle. An oblast-wide revue was held for all items being manufactured by the enterprises for the population. Those which had become obsolete were replaced by new and improved ones. Additional tasks

were set for the city's industry in the amount of 22.7 million rubles. With such a sum production output will exceed the plan during the current year.

The commission members have visited the Avtopogruzchik and L'vovkhimsel'khoz-mash Associations and the bus plant. These are large-scale enterprises having experienced personnel and fine technical equipment at their disposal. They also have quite a lot of metal remnants left over from their basic output. If only we could transform it into needed items. But here we run up against the following situation: goods are produced in out-of-the-way places. These sections are located in auxiliary areas, where obsolete equipment has been installed. After a principled conversation with the managers of these enterprises, the situation improved somewhat. At the Avtopogruzchik they have already finished the workshop bay to which the manufacture of market items will be transferred. At the bus plant the deputies suggested that a revision of the products list be undertaken during the second quarter and that output of items in short supply be undertaken.

We invited to one of the regular sessions the managers of about ten enterprises where nothing at all is being made for the marketplace. The commission recommended that the managers come to an agreement with the city planning office and the wholesale trade centers as to what they should produce.

We have had to encounter many instances of disagreements at the juncture of production and trade. For example, the milling-machine plant spent rather large amounts on setting up production of stripping devices for the spherical cams for the Moskvich automobile. But the organization which had ordered this item--the Ukroptkhozorg Center--suddenly refused to accept delivery of this product. The commission had to intervene.

Here is another example. The Ukroptgalanterey Center turned to us in connection with the fact that the local perfume factory had stopped making some twenty kinds of products for which there is a steady demand and then began production of more expensive items. This complicated situation is now under study. We think that we may have to turn directly to the Ministry of the Food Industry, to which this enterprise is subordinate.

We consider our main task to be the improvement of the assortment of goods. If we speak about the city's light industry, last year 354 of its items were awarded the Badge of Quality. This is the best indicator in recent times. But it is no secret that, although the store shelves are not empty, here and there groups of slow-moving items have been formed. At the same time one does not always succeed in buying what one needs.

The deputies are disturbed by the circumstance that many fine items in the heavy-industrial enterprises are being turned out in series which are too small. Let me cite one example. The Prikarpatpromarmatura Association began to turn out crane-mixers. And although this meets the required profile of the enterprise, only 5,000 units per year of such items are sent to the stores. Of course, the demand is not satisfied by such quantities. This is not the first year in which the agenda has contained questions of creating

design services for goods, the development of capacities whereby models can be converted into series in the thousands. Here, in addition to local initiative, we need support from above.

At the November (1982) Plenum of the CPSU CC Comrade Yu. V. Andropov emphasized that the "local party and Soviet organs should get right to work on the production of consumer goods." I must state the following by way of self-criticism: the commission on consumer goods must make better use of the levers which it has at its disposal. It is necessary to create deputies' posts everywhere, above all, in enterprises under local jurisdiction. The problems cannot be solved by the ispolkom workers alone. In fact, within the ispolkom of the City Soviet everything which has to do with the output of consumer goods is handled only by the gorplan, and to be more precise--by only one of its staff members. Where is he to find the time to probe deeply into the multiplicity of problems involved? Within the oblast planning commission they have created a sector for consumer goods. And if we also proceed along this path, the yield will be substantial.

I would like to express another idea with regard to this question. The word "waste-product" has already become painfully part of our vocabulary. In the pages of our newspapers one reads again and again: "goods made of waste-products" or "waste-products provide earnings." Let's, however, think this over for a while: what kind of psychological influence are we exerting by this on the ordinary customer who has some money at his disposal today and wants to acquire some fine new thing? Under the concept of "fine" he has in mind something made of high-quality materials and raw materials. And if they declare to him every day that we are increasing the output of goods made from waste-products (and indeed from the remnants of materials with the necessary properties), he willy-nilly begins to be on his guard; they are palming things off on us, he says, made of stuff which should have been hauled off to the dump. And he looks over some imported goods, without suspecting that they too are often made of something which was a by-product from the production of some principal product, but which was suitable for further use.

Our permanent commission has taken only the first few steps in implementing the duties imposed on it by the City Soviet of People's Deputies. A great deal still remains to be done in order to achieve genuine shifts toward satisfying more fully the population's growing demand for buying things. While taking into account the shipment here of goods from other regions, we must still place our main bet on increasing the output of items bearing the trademark of L'vov's industrial firms.

2384

CSO: 1827/204

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